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Operators embrace take-out as sales booster

Retail operations account for about 10% of sales at Oscar Taylor. Inset: Big 4 president Lee Cohn (left) and Levy chairman Mark Levy.

Traffic up across the board

By Marilee Hartley

An expanded take-out display counter with delivery services has tacked on a whopping $1 million in extra sales in less than a year at Randall's in Chicago, the Levy Organization's chic rib restaurant.

And scores of other upscale dining spots throughout the country are finding that the advantages of the new in-house retail take-out sections go far beyond simple add-on sales. Operators say the two functions work in tandem to attract customers to both aspects of the business.

Many also say retail concessions help to lower overall food costs and greatly enhance a restaurant's image as a purveyor of quality products.

"It's definitely a brother-and-sister kind of thing," said chef Rick Davis of the 150-seat Charmer's Market restaurant in Santa Monica, Calif., where take-out items account for 50% of gross sales. The restaurant's retail section includes a gourmet case with cold salads and prepared entrées and a butcher shop, a bakery outlet, a pizza concession and a caviar

(Continued on page 150)

J. B.'s set to sever Big Boy link if negotiations fail

Final decision on Marriott franchise due soon

By an NRN *Staff Writer*

BALTIMORE — J. B.'s Restaurants will decide in two weeks whether to continue its franchise agreement with Marriott or to drop out of the Big Boy family restaurant chain, president Clark Jones said.

Negotiations between Marriott and J. B.'s Restaurants, based in Salt Lake City, to re-franchise an 11-state territory are under way. If J. B.'s cannot reach an agreement with Marriott, "We'll be getting out of the Big Boy franchise," Jones declared.

J. B.'s Restaurants operates 99 J. B.'s Big Boys in the West and four Apple Butter Farms units, two specialty dinnerhouses and a motel.

Marriott's chief financial officer, Gary Wilson, said Marriott is ready to accommodate its 20 or so Big Boy franchisees and to provide the needed services but that the franchisees are free to leave the system if they so desire.

"If they want to get out, we'll be happy to talk to them about it," Wilson declared during a presentation at a restaurant seminar held here by investment banker Alex. Brown, where Jones made his comments 24 hours earlier.

Marriott, which is attempting to unify its far-flung Big Boy empire, was jolted last April when its largest franchisee, Shoney's Inc., severed its ties with the Big Boy chain so it could compete with other Big Boy franchisees outside its 11-state territory. Shoney's officials also said they believed that the Big Boy association was not important to customers.

With the defection of Shoney's, Marriott is left with about 200 company-operated

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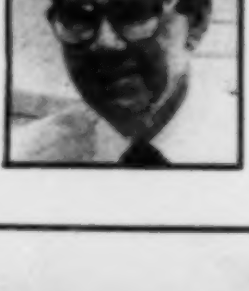


Bernstein on the LBO game
—Page 4

New menu item boom intensifies

By Joe Edwards

BALTIMORE — Diversified menus that appeal to a broad spectrum of consumers are needed to boost check averages, win new customers and increase frequency of visits, according to many top chain officials.

Appearing at the fifth annual Alex. Brown restaurant seminar, executives of about 30 operating companies representing chains in nearly every food-service segment forecast a blizzard of new product development, testing and roll-outs in coming months.

Among the most surprising new products: grilled halibut and marinated skirt steak at Chi-Chi's, a Mexican dinnerhouse chain; barbecued ribs at Grandy's, a fast-food chicken chain; and roast beef dinners at Po' Folks, a family-restaurant/fast-food hybrid chain.

Most menu additions are designed to build incremental sales in specific meal periods, and many address current consumer demands for foods perceived to be fresh, nutritious and different, officials

(Continued on page 95)

J. Pat Ross
Rax chairman, ceo

Fed probe uncovers mob-restaurant link

***NRN* Special Report**

NEW YORK — Federal authorities say they've nailed the leadership of the Colombo organized crime family with the indictment of 11 men on charges of widespread racketeering, including the alleged extortion of thousands of dollars in payoffs from five city restaurants.

Attorney General William French Smith said the crime family controls seven key unions, enabling it to "strongly influence" New York's restaurant business as well as the construction industry.

"You can't pour concrete in this city without dealing with the Colombo family," declared Rudolph Giuliani, U.S. attorney for the Southern District of New York. "They're involved in a large group of activities that bring in income to the family."

The 53-page indictment accuses Vito Pitta, president of

(Continued on page 147)

Nordlund: Man behind Staley-CFS Continental deal

$38-a-share, $360 million offer outdoes Dart & Kraft

By Don Jeffrey

DECATUR, Ill. — A. E. Staley Manufacturing, a food-processing company, has outbid the big food-service conglomerate Dart & Kraft for the purchase of the nation's second-largest food-distribution company, CFS Continental.

Engineering this bold move is Staley's chairman and chief executive, Donald E. Nordlund, a 62-year-old attorney. Staley has offered $38 a share, or a total of about $360 million. Kraft's bid was about $290 million.

Donald Nordlund

Staley spokesman David Satterfield said CFS would help his company's future earnings growth. He noted that Staley's principal product—high-fructose corn syrup—was reaching maturity in the marketplace.

Kraft reportedly needed CFS to bolster its own food-distribution component but declined to stop Staley's bid. It may look for another food-service distribution company to buy, using its ample cash reserves.

Staley's offer includes an $18 million buyout of Kraft's purchase option.

Staley has enjoyed sound financial results this year, with sales over $2.1 billion and profits up fourfold to $36.6 million. But, with corn syrup reaching maturity and its other principal food product—soybeans—threatened overseas by a wave of European protectionism, a new growth vehicle was needed.

The purchase of CFS, which has sales of about $1.2 billion, would make Staley a major player in the food-distribution business.

Staley has been in food service since 1976, when it purchased Gregg Food Products of Portland, Ore. A few years later it bought another supplier, Illinois-based Re-Mi. But combined sales from these two firms this year were only $65 million to $70 million.

Nordlund, who is described by an associate as aggressive but in a "quiet, low-key style," will leave the running of CFS to its top executives, chairman Robert Cohn and his brother Alvin, the president. CFS would operate as a wholly owned, independent subsidiary of Staley.

For Nordlund this high-stakes deal represents the capstone of a professional career that began when he joined a Chicago law firm after graduating from the University of Michigan Law School.

Nordlund was hired away from the firm by Staley in 1956 as chief legal counsel. He was named vice president in 1958 and president in 1965. The chairmanship came in 1975.

He guided Staley through its period of biggest growth and is credited with taking the small ($300 million), conservative, family-owned company and turning it into a leader in the food-processing industry.

Morrison eyes food-to-go concept in new markets

By an NRN *Staff Writer*

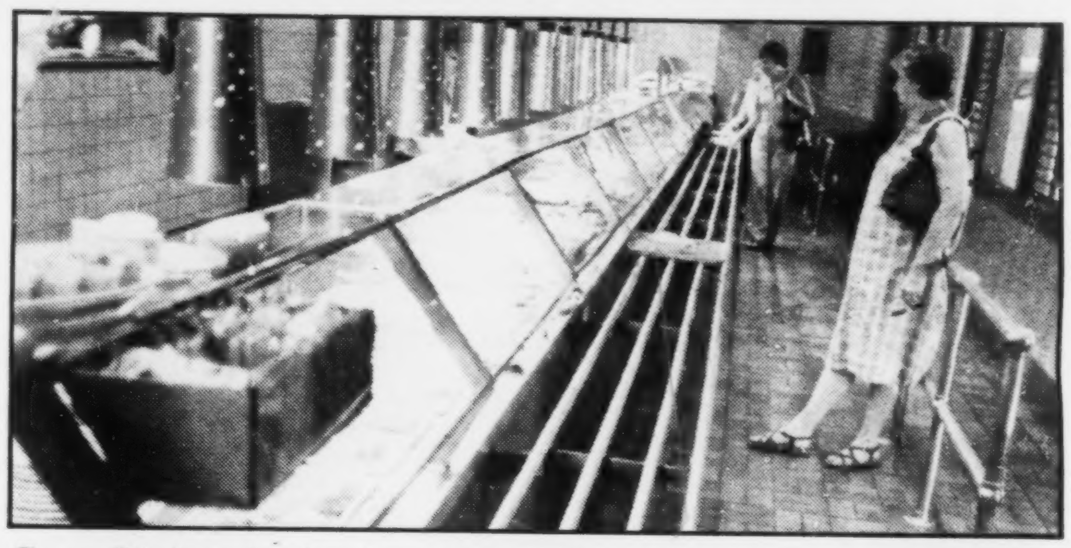
BALTIMORE — Morrison, the largest cafeteria operator—with 158 units in 17 Southern states—is preparing to open a cafeteria in Annapolis, Md., and is putting the finishing touches on two new concepts that feature foods to go.

If the cafeteria in Annapolis is successful, it "may well open a new growth area for us," declared Gene Bishop, president and chief executive of the Mobile, Ala.-based firm. Cafeterias are a tradition in the South but have not done well in other markets despite occasional forays by major cafeteria chain operators.

Bishop also disclosed in comments made at an industry seminar hosted by investment banker Alex. Brown that Morrison is opening a new concept, Silver Spoon Cafe, in a Knoxville, Tenn., mall in a few weeks and plans a second unit by the end of the year. Silver Spoon's menu will list specialty sandwiches, grilled and sautéed seafood, salads, and other items and will have a separate take-out shop featuring domestic and imported items and bakery products. Silver Spoon Cafes will open in regional malls and shopping centers, Bishop said.

The company is also planning a small, freestanding concept with a strictly take-out menu with food supplied by a nearby Morrison cafeteria. The first "satellite unit" will open in two to three months, Bishop said. Some Morrison cafeterias already have take-out sections.

Morrison also operates 33 Ruby Tuesday casual restaurants and three L & N Seafood Grill restaurants.



Gene Bishop looks for Annapolis to "open a new growth area for" Morrison cafeterias, like the one shown above.

COMMODITIES

Is there a future in agricultural futures?

By Gary S. Friedman
Commodities Analyst

It's no secret these days that almost all agricultural commodity prices are at depressed levels. It's gotten to such a low point that a friend of mine, while interviewing with a large brokerage firm that wants to re-establish in agricultural commodities, was asked why any broker would want to get involved with commodities.

Every responsible brokerage house cautions its clients that commodities aren't for everyone. And almost all try to establish that the speculating client is playing with money that is strictly risk capital. And then there is the question of having the correct personality, and in the commodity game that is very important. The personality that is scared about cutting himself while clipping bonds is just not suited for the possibility of volatile price swings just because it is or isn't raining somewhere far off from home. However, that all focuses on clients, not on a person, like my friend who wants to become a broker capitalizing on his knowledge of agriculture and finance.

This really asks, What is the future for agricultural com-

(Continued on page 147)

PRICE MOVEMENT AT A GLANCE

Cash Prices	Oct. 24, 1984	Year ago
Butter, AA, Chicago, lb.	$ 1.59 ¾	$1.49
Eggs, lg. white, Chicago, doz.	$ 0.55-$0.57	$0.76
Flour, HRW, K.C., cwt.	$ 9.70	$9.95
Potatoes, rnd. white, 50 lb., f.o.b., Maine	$ 2.25	$3.71
Pepper, black, N.Y., lb	$ 1.21	$0.81
Sunflower seeds, No. 1, Duluth/Sup., cwt.	$11.90	$13.75
Wheat, No. 2, sft. red, St. Louis, bu.	$3.645	$3.575

Source: NRN *Research*

'You Deserve a Break' author rises to agency's chairmanship

By Ken Frydman

NEW YORK — Keith Reinhard, the 49-year-old former copywriter who created the classic "You Deserve a Break Today" and "You, You're the One" McDonald's campaigns of the 1970's, has been named chairman and chief executive officer of Needham, Harper Worldwide, the country's 20th-largest advertising agency. He thus becomes the third chief executive in the agency's 60-year history.

Reinhard's promotion comes on the heels of the recent appointment of former Needham, Harper Steers/USA president Peter Nelson to the position of senior vice president-marketing for McDonald's Corp. Nelson's move fueled speculation that the $150 million McDonald's domestic account, which Needham had held for 11 years before losing it to Leo Burnett in 1981, might return to Needham.

Over the last three years Reinhard has expressed a strong desire to recapture McDonald's domestic business. But he has yet to comment publicly about the possibility of getting another chance to write commercial jingles like "Grab a bucket and mop,/ Scrub the bottom and top./ . . . At McDonald's, it's clean."

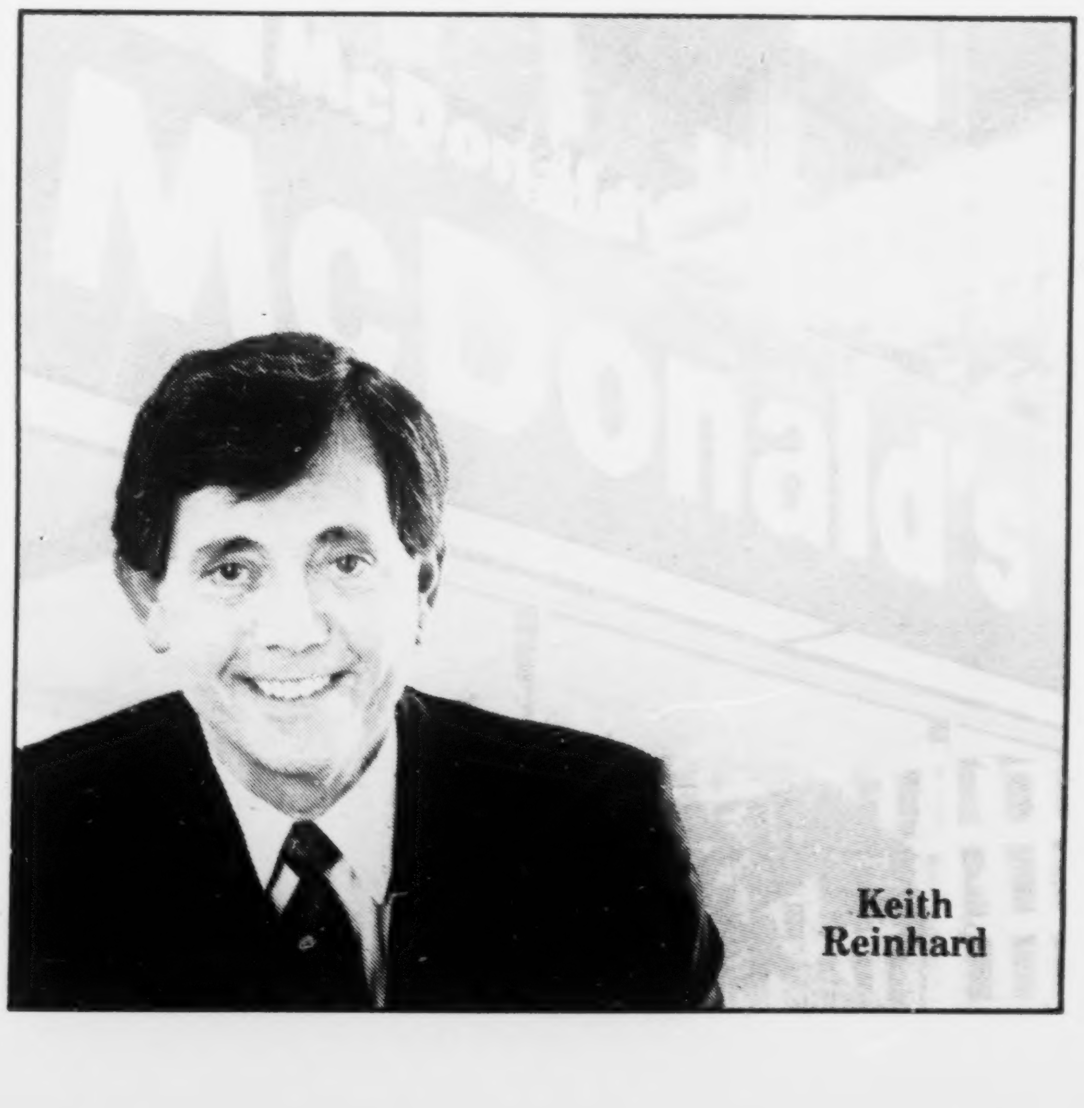
Needham lost the McDonald's account to Burnett apparently because "it was time for a change," according to industry sources.

Reinhard, who at 29 joined Needham, Louis and Brorby, the forerunner of the current agency, succeeds Paul C. Harper Jr., 63, chief executive for 20 years, who remains chairman emeritus on the board of directors and head of the agency's management review board.

Reinhard had most recently served as chairman and chief executive officer of Needham, Harper & Steers/USA, which evolved into Needham, Harper Worldwide. A new 13-member board, including three creative heads, has supplanted the five-member NH&S/USA board.

"One company. One board. One world," Reinhard was quoted as saying recently.

The agency name change was precipitated by Needham Harper's ambitions for international growth. While McDonald's $150 million domestic advertising account is handled today by Leo Burnett, in Chicago, Needham, Harper Worldwide has retained work for various local McDonald's co-ops as well as $40 million in international billings.



Keith Reinhard

FOCUS NRN

Market segmentation shifting in growing lodging industry

By Joe Edwards

It was fairly easy, as recently as two years ago, to define an American chain hotel simply by reading the name on its sign. If that sign read *Marriott*, for example, a traveler knew he or she would be getting a fairly large, quite comfortable room with some frills and a rate on the upper end of the midpriced segment. If the sign read *Holiday Inns*, there would be fewer frills and a less expensive room rate. A Marriott hotel typically would have two or three restaurants and lounges; a Holiday Inn would offer a coffee shop, a lounge and perhaps an independent restaurant. If nothing else, the Marriott or Holiday Inns name on a hotel guaranteed consistency.

That strategy served both chains well. In 1983, when the lodging industry was struggling with a national occupancy rate of about 63%, both Marriott and Holiday Inns enjoyed occupancy rates of more than 70% at company-operated properties.

But now Marriott and Holiday Inns, as well as a host of other large chains, are pursuing different courses. Both chains are diversifying far beyond the confines of their traditional market segments, taking part in a market segmentation trend that's sweeping the lodging industry.

At Marriott, whose room inventory has doubled since 1979 to 55,000 rooms at 135 properties, there is a dizzying array of new hotel concepts carrying the Marriott name. Huge convention hotels are rising in New York and Atlanta, and the smaller J. Willard and Marriott convention hotel opened recently in Washington, D.C.

For its part, Holiday Inns is moving into the upper end of the midpriced segment with plusher Crowne Plaza hotels and is developing a chain of budget motels called Hampton Inns.

Marriott and Holiday Inns are not alone in segmenting the lodging market:

- Sheraton, which operates 450-plus hotels with more than 124,000 rooms, recently opened an all-suite resort in Tempe, Ariz.
- Quality Inns, which began segmenting the market in 1980, perhaps the first large chain to do so, operates budget Comfort Inns, midpriced Quality Inns and higher-priced Quality Royale hotels.
- Ramada Inns, with 95,500 rooms in nearly 600 hotels, operates three distinct concepts: the midpriced Ramada Inns, the full-service Ramada Hotels and the upper-end Ramada Renaissance hotels. Ramada also has casino-hotels.
- Trusthouse Forte, the London-based lodging and food-service company, operates midpriced Travelodge and Viscount hotels in this country along with posher hotels, such as the Plaza Athénée in New York City.

STATUS REPORT ON SELECTED HOTEL CHAINS*

Hotel Chain	Number of Hotels	Number of Rooms	Occupancy Rate	Average Room Rate
Hilton Hotels	246	88,864	64%	$74.25
Hilton International	88	32,608	67.5	65.00
Holiday Inns	1,700	310,337	70.2	44.40
Inter-Continental	101†	35,567†	65.0**	63.00**
Marriott	130	54,986	79.3	70.50
Ramada Inns	593	93,592	59.7	37.45
Sheraton	453	124,046	70.0	48.50
Travelodge International	539	39,983		
Westin	48	25,805	72.7	90.00

Source: Smith Barney Research; company reports

*All figures are for 1983 except where otherwise noted.
**Occupancy rate and average room rate for Inter-Continental hotels are for 1982.
†Includes 18 hotels with 5,125 rooms not under the Inter-Continental banner but part of Grand Met hotels.

Hotels shape up menus to cater to fitness-minded

(Continued from page 70)

"But after we ended the fitness menu promotion, we knew that something had to remain. In many properties a number of the better-selling items were carried over to the standard menus of our midpriced restaurants. In fact, the Cancún Crab Melt [introduced in 1980 on Hilton's trailblazing Fitness First menu] is still on a lot of menus."

Furthermore, Hilton now requires that all midpriced restaurants offer such items as decaffeinated coffee, whole wheat bread, cereals containing no salt or sugar, fresh fruit and fresh fruit juices.

Fitness Menu Sampler

Hotel Inter-Continental New York: The Winning Edge		
Vegetable terrine with mild horseradish sauce	155 cal.	$ 9.50
Poached scrod with spinach	200 cal.	$14.50
Chicken salad with banana mayonnaise, walnuts and grapes with breadsticks	250 cal.	$ 9.50
Sheraton Hotels Corp.: Eat, Drink and Be Healthy		
Oysters broiled with garlic, bread crumbs and Parmesan cheese	N/A	$ 4.25
Lump crabmeat, asparagus, tomato and lettuce with lemon-caper dressing	N/A	$ 7.25
Hilton Hotels Corp.: Fitness First Fiesta		
Crab, bay shrimp, green chilís, jicama and olives, tossed in a lemon vinaigrette, served over iceberg lettuce in a tortilla seashell	360 cal.	*
Turkey, lettuce, tomatoes and bacon combined with guacamole, green chilís and ripe olives, rolled in a tortilla and topped with melted cheddar	575 cal.	*
Four Seasons Hotels		
Bay scallops with red pepper sauce	360 cal.	**
Crab wrapped in green cabbage with rosemary sauce	260 cal.	**
Breast of chicken with leeks	335 cal.	**
Hotel duPont: On the Light Side		
Marinated charbroiled lamb with red and green peppers	445 cal.	$10.75
Poached rockfish topped with a white wine sauce, garnished with mushrooms, tomatoes, olives and green peppers	325 cal.	$10.25
Hyatt Hotels Corp.: Perfect Balance		
Fresh steamed vegetables presented in an Oriental steam basket, accompanied by a light lemon margarine	555 cal.	$ 5.50
Chilled breast of poached chicken, garnished with kiwi fruit, alfalfa sprouts, sliced tomato and cucumber with a lime yogurt dressing	507 cal.	$ 6.00

* *Prices vary with each property*
** *$17 per-person fixed price menu, includes appetizer, entrée and dessert*

Hyatt has taken a somewhat different approach with its Perfect Balance menu, according to Gustavson. Every six months 18 new fitness dishes are developed by the corporate staff, in collaboration with a nutritionist. Individual properties are than allowed to choose two or three items they wish to feature on their menus.

"The preparation of these items takes a certain commitment, since much of the *mise en place* tends to differ from that required by the standard menu," he explains. "We want them to choose items that they are most comfortable preparing, because we can't afford to monitor whether a chef is following the recipe."

For the most part hotel chains are adding the health and diet dishes to the menus of their midpriced restaurants because, as one executive explains, the highest percentage of these dishes are sold at breakfast and lunch. Most upscale hotel restaurants still do thriving dinner business from their standard menus.

However, certain chains are even beginning to adapt the lunch menus of their fine-dining restaurants to accommodate the new fitness movement. Four Seasons hotels, the 18-property Toronto-based chain, recently unveiled in all of their luxury restaurants new lunch menu items that are low in calories, sodium and cholesterol. Offering a choice of three appetizers and three entrées, the menu reminds one of the Spa Cuisine menu featured at the Four Seasons restaurant (which is not related to the hotel chain), in New York City—a pioneer in luxury fitness menus.

At a recent press conference Alfons Konrad, vice president of food and beverage for Four Seasons hotels, said, "Our intention is to make our new, more nutritional recipes look and taste as good as our traditional cuisine. We don't want to call attention to the calorie-conscious guest."

Hotels are also discovering local markets for their fitness menus—particularly those business travelers who, even when not on the road, still prefer to dine light. To herald its Winning Edge promotion, the Hotel Inter-Continental New York sent out a direct-mail piece to 10,000 executives and companies in the neighborhood. The promotion was so successful, Illian says, that the hotel expects to repeat it next summer.

Gustavson says that Hyatt also invested in local promotion for its Perfect Balance menu—a strategy that has resulted in "tremendous" support from area businessmen.

A nonalcoholic-drink menu recently introduced by Holiday Inn Hotels is a barometer of how seriously the chains are taking the fitness and health movement. Implemented as a response to the growing trend toward lower alcohol consumption and a growing concern for public safety, five specialty drinks were developed at the corporate test kitchen in Memphis from combinations of fresh fruit and vegetable juices.

Trend

"Research on beverage trends for the next decade indicates that consumers are gradually moving away from alcoholic drinks toward low- or nonalcoholic beverages," says David Curley, managing director of marketing services for the chain's domestic hotel operations. "This trend, coupled with public concern about drunk drivers and our own concern for our customers' well-being, encouraged us [to develop] an alternative to alcoholic beverages."

Currently enthusiasm appears to be running high among the chains that offer fitness programs, and those directly involved with their development say that this is only the beginning. "It [the fitness menu] has become almost a standard expectation," Duffin says. "If anything, we'll see it increase in terms of interest."

Cole agrees, saying, "They're necessary today. There's a real marketplace for healthy food. We don't regard this as a trend. It's here to stay."

Lodging industry rebounds from four-year slump

Occupancy rates gain in most regions

By an NRN *Staff Writer*

Ask a hotel operator in Houston or New Orleans how business has been so far this year and he may cry on your shoulder—or kick you out the door. But ask an operator in New York the same question and she may brag about the dramatic recovery from the recession.

Such is the state of lodging as it tries to rebound from four straight years of declining occupancy. Business is fluctuating considerably from region to region. Even where there is a marked improvement, it is not as strong as it was expected to be.

The word from chain operators and lodging industry analysts, however, is that business, which has been on an upswing since the fourth quarter of 1983, is expected to improve steadily, at least through the third quarter of 1985.

"Conditions in the lodging industry are better now than they have been in several years," according to Smith Barney Research in a report on the first six months of this year. But, the report adds, "Rates of improvement in occupancy and pricing are not nearly as strong this year compared with the recovery from the 1974-75 recession."

Laventhol & Horwath, a public accounting firm and lodging consultant, reports that "the continued strength of the United States lodging industry was evident in June as the national occupancy rate rose to 70.6%, 2.8% above June 1983 levels." Occupancy rates for the year are expected to hover in the 64%-65% range.

In the long term operators traditionally look to higher room rates and rising food and beverage charges to give them overall sales increases from year to year. Total industry sales rose 9.4% in June, compared with June 1983, and 9.9% in the first six months of this year, compared with 1983's first half, according to the latest Laventhol & Horwath report.

These and other figures show that price inflation can cover problems of soft occupancy rates. Laventhol & Horwath also notes that in June the average charge per occupied room rose 7.4%, to $56.50, and total revenue per occupied room jumped 6.2%, to $83.38, compared to year-earlier figures.

Also exuding confidence is Kenneth Hine, general manager of the American Hotel and Motel Association, who says that "hotels and motels are experiencing a 4.7% growth in gross receipts this year—the highest increase of all sectors in the travel and tourism industry."

Overall, Hine adds, "The lodging industry is very healthy financially, with a strong future of steady growth through the 1980's."

The current recovery, however soft it may be for lodging, is welcome news to hotel operators throughout the nation who are responding to an improvement in business with plans for a wide variety of new concept development, further expansion and massive rehabilitation projects for older properties.

There are dark clouds on the horizon, however. Some experts, including Smith Barney's lodging analysts, warn that the recovery is not very strong and may fall apart toward the end of next year. In the same report Smith Barney blames "the high rate of new building in the early 1980's" for "holding back the degree of recovery."

Though many chain operators vehemently disagree that the lodging market is saturated, or even approaching saturation, there are signs to the contrary.

In Houston, where 8,500 mostly luxury rooms were added between 1981 and 1983, many operators are suffering. Occupancy rates fell to 54% in 1983 from 68% in 1981, mostly because of the late arrival of the recession in Houston and, some say, an overbuilding of hotels.

Whatever the reason, the situation in Houston is so grim that one large chain, after opening a new upscale hotel in an effort to draw business to the hotel, was forced to offer free round-trip airline tickets to Europe to the first 3,000 guests staying five nights or more.

The situation isn't any better in New Orleans, where a dropoff in convention business, sparse attendance at the World's Fair and a crunch of new luxury hotels downtown have sent occupancy rates skidding.

In July occupancy at New Orleans hotels hit rock bottom—about 40%, according to the city's Convention Bureau. This followed a dismal hotel performance in 1983, when the occupancy rate was less than 61%, down more than 8% from the previous year. From 1981 to 1983 eight new hotels opened in downtown New Orleans, doubling the city's room inventory to 24,000.

But in New York, where there have been numerous hotel openings and renovations in the last few years, occupancy so far this year is a healthy 72%, up from 68.8% in 1983. Multimillion-dollar refurbishing projects were recently completed or are under way at the Waldorf-Astoria, Pierre, Mayflower Regency, Penta, Hilton, Plaza Athénée, Lowell and Novotel. And next year the 1,800-plus-room Marriott Marquis on Broadway at 45th Street.

The recession, which cost the lodging industry an estimated $20 billion in revenue, had a varying impact on hotels in different parts of the country and on different types of operations, according to Saul F. Leonard, speaking for Laventhol & Horwath.

Properties in the Northeast and West, where occupancy and average room rates were higher than in other regions, had a ratio of income before fixed charges to total sales below the median for all establishments, Leonard says.

Hotels and motels in the North Central States show the highest ratio of income before fixed charges to total sales and also the greatest improvement in occupancies, he adds, while occupancies declined sharply in the South Central region—the second year in a row.

Noting that the average annual growth rate of rooms in the 1980's has been 2.4%, while the average annual growth in occupied rooms has been 1.6%, Leonard warns that "competition is going to be rough as management looks for ways to survive until de-

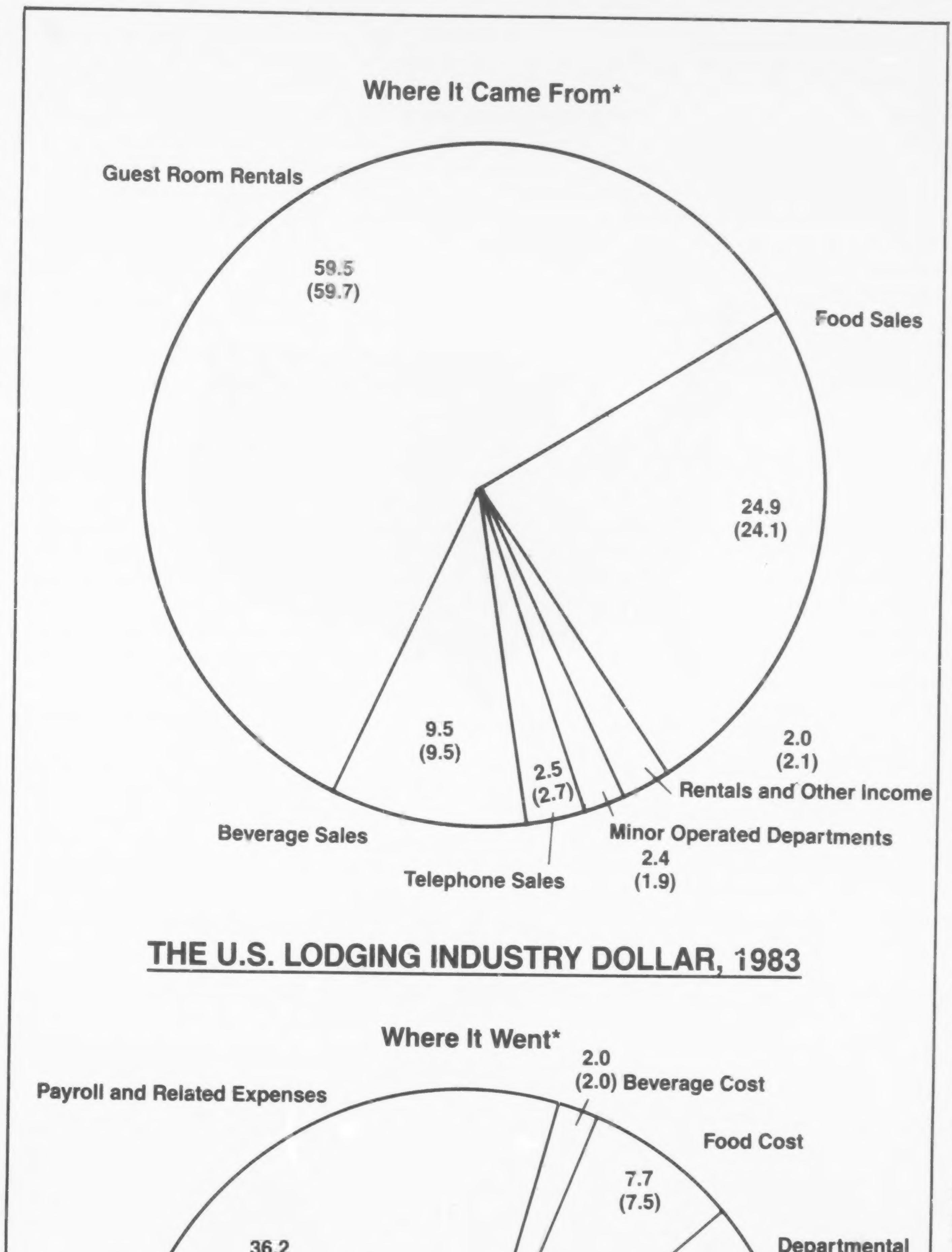
(Continued on page 76)

HOTEL OCCUPANCY RATES

	Yearly Average	Percentage Change
1968	71.19	−0.76
1969	69.55	−2.39
1970	63.70	−8.41
1971	62.29	−2.03
1972	64.97	4.28
1973	66.43	2.26
1974	65.10	−2.03
1975	62.35	−4.17
1976	65.19	4.49
1977	67.40	3.46
1978	69.86	3.62
1979	69.24	−0.86
1980	66.93	−3.37
1981	65.34	−2.42
1982	62.39	−4.50
1983	62.94	0.68
1984*	63.94	1.83
1985*	64.98	1.63

Source: U.S. Department of Commerce, Laventhol & Horwath, Smith Barney Research

*Estimates by Smith Barney Research



THE U.S. LODGING INDUSTRY DOLLAR, 1983

*Based on the weighted mean. 1982 amounts (in parentheses).

Hotels make gains, but recovery may be short-lived

(Continued from page 74)

mand rebounds to catch up with supply."

Many industry executives and analysts blame the lodging industry's problems on the recession, which in turn led to a 14% drop in business travel in 1983, according to the U.S. Travel Data Center.

Arguments about whether overbuilding contributed to the problems are inconclusive. Manuel Ferris, president of Howard Johnson Hotel Groups, says he believes that underutilization of properties and not overbuilding is the problem.

The U.S. Census Bureau reports there were 35,560 hotels and motels in the United States in 1982, down from 37,154 in 1977. In New York City alone the number of hotel rooms has been steadily declining since 1945, when there were more than 120,000 rooms. In the last two years the city's room inventory has held steady at about 97,000.

Leonard says that 200,000 rooms closed nationwide between 1979 and 1983—most of them in smaller, inefficient and poorly located properties. During the same period, 523,000 new rooms were added, for a net gain of 323,000.

And Smith Barney analysts say outright that overbuilding and weak local economies contributed equally to low occupancy rates at hotels in Dallas, Houston, New Orleans, Tulsa, Boston, Miami, Minneapolis-St. Paul and Seattle.

But, judging from their development plans, many top chains do not take seriously the talk of overbuilding.

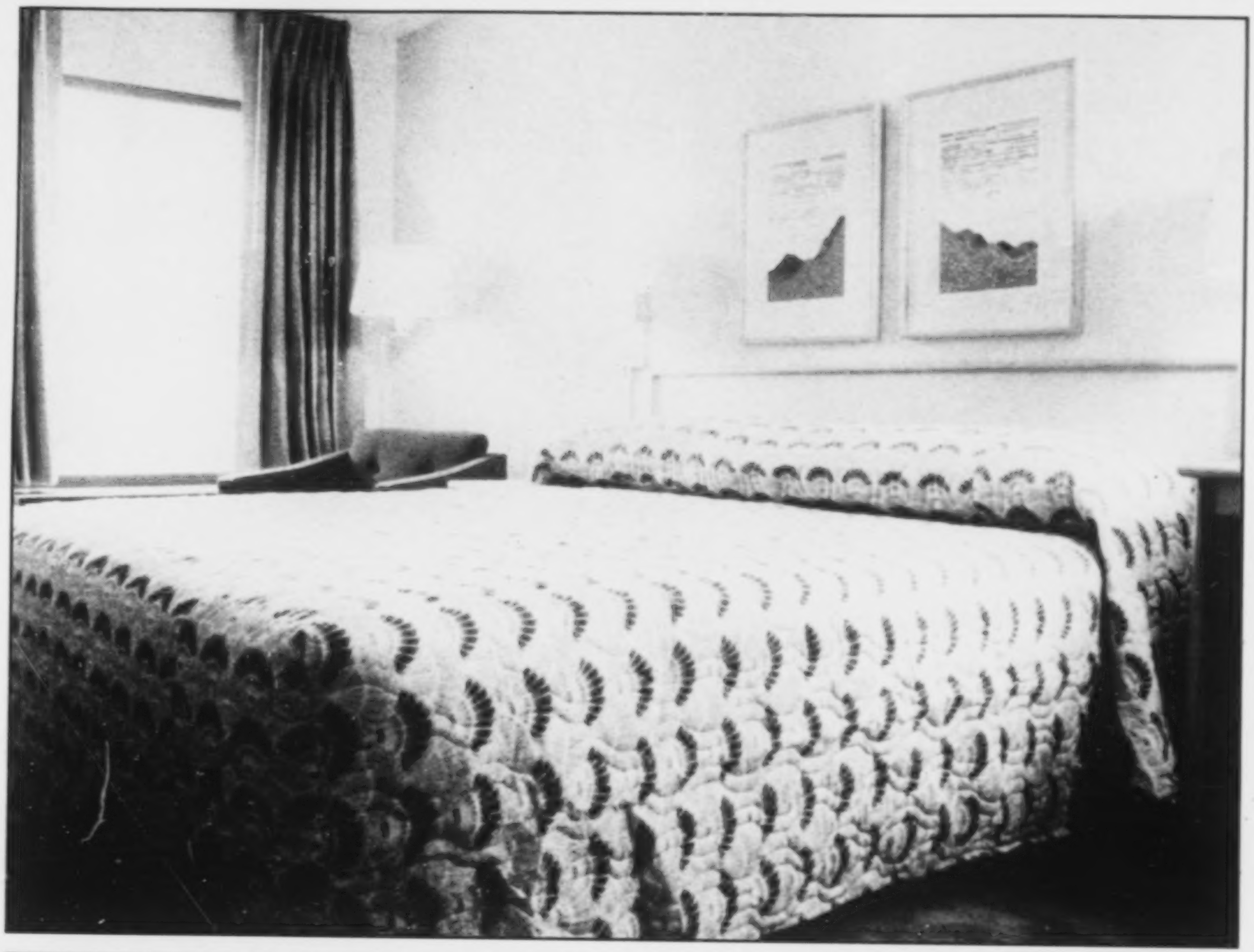
Ramada Inns is adding 10,000 rooms this year and plans to have 140,000 within the next four years. Marriott is expanding the number of rooms by 19% to 20% annually. Hilton will continue to expand modestly; between 1977 and 1983 the chain grew at a 6% annual rate. Holiday Inns, while opening a new hotel every five days or so, for a total of 1,707, with 310,337 worldwide, has only a 2% annual growth rate because it is shutting down almost as many old hotels as it opens new ones. Holiday Inns plans 26 to 30 Granada Royale all-suite properties and also an undetermined number of Hampton Inns.

HOTEL SALES AND OCCUPANCY REPORT

(June 1984 compared with June 1983)

Sales (% change)	
Total	9.4%
Rooms	10.7
Food and Beverage	6.9
Other	6.8
Occupancy	
Rate	70.6
% Change	2.8
Double Occupancy	
Rate	59.4
% Change	4.6
Room Sales per Occupied Room	
Average	$56.50
% Change	7.4
Total Sales per Occupied Room	$83.38
% Change	6.2

Source: Laventhol & Horwath



Hampton Inn

This is the flagship Hampton Inn Hotel, a division of Holiday Inns Inc. The 2-story unit opened in Memphis in September.

FINANCIAL NEWS

Winners' 3rd-qtr. net profit down 73%

NASHVILLE — Winners Corp. said its net profit for the third quarter ended Sept. 30 was $223,000, 73% below last year's quarter. Sales increased 14%, to $27.3 million.

The company, which owns the 167-unit Mrs. Winner's chicken and biscuits chain and 55 franchised Wendy's outlets, said sales at comparable units were flat in the quarter.

For the nine-month period, Winners Corp. posted $1.3 million in net profit, a 34% year-to-year decline, on revenue of $79.7 million, a 27% advance.

The company said it planned to increase advertising spending, particularly for breakfast.

Sea Galley 9-month net profit $6.1M

MOUNTLAKE TERRACE, Wash. — Despite a store-level sales slump at the 48-unit seafood dinnerhouse chain, Sea Galley Stores Inc. said tighter operations yielded $2.3 million of net profit in the third quarter, ended Sept. 9, compared to a $514,000 net profit last year.

Third-quarter sales slipped 17%, to $15.7 million, reflecting the sale of its processing facilities and store-level sales 11% below last year's period.

For the year to date, Sea Galley reported net profit of $6.1 million, up from $319,000 last year. Sales fell 10%, to $48.3 million.

Sea Galley Stores also owns 39% of Flakey Jake's Inc., a 16-unit operation the company describes as an "upscale hamburger" concept.

Holiday Inn 3rd-qtr. net up 4% to $50M

MEMPHIS — Holiday Inns Inc. posted $49.7 million in net profit for the third quarter, ended Sept. 28—a 4% rise over the year-ago quarter. Revenue increased 6%.

For the nine-month period, the hotel operator said, net profit was $110.4 million, a 1% rise, and revenue was $1.33 billion, a 12% advance.

Other income included a $5.1 million gain from the sale of the Harrah's automobile collection in the quarter.

Fresher Cooker loss $1.1M

LOUISVILLE, Ky. — The Fresher Cooker, an 18-unit fast-food chain, said it had a $511,511 net loss in the third quarter, ended Sept. 2, compared to a $176,659 deficit at the same time last year. Revenue rose 61% year-to-year, to $1.04 million.

Year-to-date net loss was $1.1 million, against last year's loss of $323,828.

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Stocks mixed in listless market; gainers top losers

NEW YORK — Stocks on the *Nation's Restaurant News* Food-Service Stock Analysis Table turned in a mixed performance in the two weeks ended Friday, Oct. 26.

In almost an even split between advancing and declining issues, 45 gained in price, 42 fell, and 14 finished where they started.

The Dow Jones Industrial Average in the same fortnight rose from 1,190 to 1,226, but fell back again to close at 1,205. Analysts said the market was buoyed early by breaking oil prices, but a continued economic slowdown outweighed the further good news of slipping interest rates.

Diversifoods led the volume list, with 2 million shares trading hands in the second week of the two-week period. Analysts said the stock was losing its leveraged-buyout luster as it slipped $1 per share, to close at $12.50.

McDonald's Corp. gained $1.38, to close at $53.13. The company posted third-quarter earnings advances.

Jerrico rose $1.13, to $17.13. The company adopted a tough antitakeover measure and released financial news that analysts said pointed to a continued rebound.

Chili's, which issued 900,000 shares in a secondary offering, rose 13¢, to $21.38.

Holiday Inns, on earnings news, edged upward $2.63, to $39.88.

Carl Karcher was among the biggest losers. After reporting soft sales, the stock tumbled $7.88, to close at $15.25, a 52-week low point.

Naugles dropped $2, to $7.25, after soft second-quarter 1985 results led analysts to cut estimates for the full year.

G. D. Ritzy's closed at $2.75, a 52-week low, after losing $1.50.

Among the gainers, Mr. Steak rose 25¢, to $1.63. Calny Food was up $1.75, to $10.25. Church's gained $1, to $28.50. El Torito added $1.13, to $13.13. Hilton Hotels was up $2.50, to $54.25. Luby's rose $2.88, to $31.88.

VOLUME LEADERS

Company Name	The Week's Volume (100's)	Company Name	The Week's Volume (100's)
Diversifoods	20,249	Gen Mills	8,613
McDonald's Cp	14,308	Karcher Carl	7,811
Jerrico Inc	11,697	Transworld	7,561
Chilis Inc	9,141	Chi – Chi's	7,099
Holiday Inns	9,099	PepsiCo Inc	6,389

TOP FIVE GAINERS

Company Name	The Week's Volume (100's)	Latest Closing Prices	% Price Change Last Week
Calny Food	947	10.25	+ 20.6
Mr Steak	247	1.63	+ 18.2
Flakey Jakes	1,061	8.00	+ 14.3
Luby's Cafe	398	31.88	+ 9.9
El Torito Rest	245	13.13	+ 9.4

TOP FIVE LOSERS

Company Name	The Week's Volume (100's)	Latest Closing Prices	% Price Change Last Week
Ritzys G D	821	2.75	– 35.3
Karcher Carl	7,811	15.25	– 34.1
Naugles Inc	1,713	7.25	– 21.6
Allegheny Bev	1,273	17.25	– 13.8
Kapok Cp	321	1.63	– 13.3

		STOCK PRICE The Week Ended Oct. 24							TREND TO MARKET				EARNINGS/SHARE					P/E	DIVIDENDS			FINANCIAL POSITION				
					Change		52-Week		Price Trend (% per day)		Volume Trend (% per day)			Latest 12 Months vs Preceding 12 Months Change					Indicated Dvd. rate			Last Fiscal Year			Last Fiscal Year (Per Share)	
Name	Symbol	High	Low	Close	Amt	Pct	High	Low	Last 30 Days	Last 5 Days	Last 30 Days	Last 5 Days	Last Fiscal Year	Amt.	Pct	5-Year Annual Growth Rate	Profit Margin	Latest P/E Ratio	Amt.	Yield	Last X-Dvd. Date	Revenue	Earnings	Current Ratio	Long Term Debt	Common Stock Equity
-	-	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	-	$	%	-	$ Mil	$ Mil	-	$	$
A&M Food Svcs	AMFD	4.25	4.00	4.00	-.25	-5.88	8.75	3.88	-.66	.23	-1.16	-68.54	.40	-.06 S	-13.3	6.0	4.3	10.3	.00	.0	00-00-00	25.4	1.1	2.5	1.21	2.19
Acapulco Rest	ALAR	4.38	4.13	4.38	.25	6.06	6.50	3.88	-.21	1.21	3.87	9.35	-2.05	-1.90 S	-117.6	-74.0	-12.9	NE	.00	.0	01-06-81	37.9	-4.9	1.8	6.37	1.01
Allegheny Bev	ABEV	19.75	17.00	17.25	-2.75	-13.75	20.00	13.44	.90	-3.33	5.59	20.88	1.67	.00 S	0	33.0	2.1	11.1	.80	4.6	09-26-84	526.1	10.8	1.8	30.14	10.01
Am Motor Inns	INN	21.00	20.50	20.75	-.25	-1.19	21.75	12.50	.05	-.04	-.73	68.52	1.26	.01 S	.8	34.0	8.6	18.2	.16	.8	08-09-84	162.5	13.9	1.8	6.02	7.95
ARA Services	ARA	68.25	67.50	68.25	.63	.92	68.25	40.25	.15	.27	-4.19	48.80	4.51	.92 N	23.0	-1.0	1.8	13.9	2.10	3.1	08-27-84	3056.6	53.7	1.1	22.33	44.24
Assoc Hosts	AHST	15.63	14.00	14.75	-1.50	-9.23	17.13	10.50	.10	1.08	-1.13	-8.81	.72	.33 N	61.1	1.0	3.6	17.0	.12	.8	09-11-84	88.3	3.2	1.3	5.25	5.71
Beefsteak Char	BCS	3.13	2.88	2.88	.00	.00	5.00	2.63	-.43	.53	-2.88	-41.94	-1.30	-2.34 Q	-285.3	-53.0	-7.0	NE	.00	.0	00-00-00	95.2	-6.7	1.7	3.13	3.54
Bob Evans Farms	BOBE	20.25	18.00	18.00	-.50	-2.70	24.00	14.75	.18	-1.86	6.20	-11.93	.98	.07 Q	7.5	14.0	8.0	18.0	.30	1.7	08-06-84	201.7	16.1	2.4	.00	6.20
Brock Hotel Cp	BHC	4.38	3.75	3.88	-.25	-6.06	7.63	3.75	-.56	-1.40	2.35	-5.54	.17	-.04 S	-22.2	-10.0	.7	27.7	.10	2.6	07-05-84	319.8	2.2	.8	15.66	4.47
Calibre Cp	CLBR	4.25	3.50	4.00	-.25	-5.88	9.00	3.25	-.76	2.50	-1.61	-17.31	.07	-.20 S	NC	-67.0	3.2	NE	.00	.0	00-00-00	6.3	.2	.9	.60	2.12
Calny Food	CLNY	10.38	8.50	10.25	1.75	20.59	10.75	7.25	.53	.09	3.72	4.64	.52	.07 S	14.0	5.0	4.8	18.0	.16	1.6	08-08-84	43.6	2.1	1.3	.66	3.76
Capt Crab Inc	CRAB	2.25	1.88	2.13	.13	6.25	6.88	1.63	-.16	2.33	-3.03	-28.22	.00	-.05 N	NC	-67.0	.0	NE	.00	.0	00-00-00	1.5	.0	7.5	.01	.29
Carrols Cp	CRL	9.75	8.50	9.13	.63	7.35	10.88	7.13	-.20	-.55	-1.72	-22.35	.68	.09 Q	15.7	70.0	3.8	13.8	.05	.5	12-23-83	121.7	4.6	1.2	2.34	4.22
Chi-Chi's	CHIC	15.13	13.88	13.88	-.25	-1.77	25.75	12.50	-.21	-.94	-.23	23.36	.66	.24 Q	52.1	120.0	10.6	19.8	.00	.0	09-28-83	158.0	16.7	3.2	.96	3.54
Chilis Inc	CHLI	21.38	19.00	21.38	.13	.59	24.25	12.75	-.40	2.97	10.01	47.82	.29	.17 N	NC	2.0	6.4	NM	.00	.0	00-00-00	31.2	2.0	1.3	1.82	.63
Ch Full O Nut	CHF	9.25	8.38	8.50	-.25	-2.86	18.81	8.38	-.44	.26	2.62	-4.70	.62	-.20 N	-35.7	-6.0	2.9	23.6	.48	5.6	06-29-84	111.6	3.2	2.9	.34	6.69
Churchs Fr Ch	CHU	29.38	27.25	28.50	1.00	3.64	32.50	21.25	.25	.79	.42	8.77	1.66	-.61 S	-27.4	.0	7.0	17.7	.80	2.8	10-29-84	454.5	31.6	1.6	.74	12.68
Collins Foods	CF	25.13	23.63	24.63	.75	3.14	25.13	14.88	.10	.10	-.09	2.70	1.77	.29 Q	18.5	35.0	3.9	13.3	.24	1.0	09-24-84	393.3	15.4	2.1	7.26	11.44
Concept Dev	CDII	8.00	7.75	7.75	.00	.00	17.69	6.00	.06	.28	-1.51	-22.45	.06	.06 N	NC	116.0	1.3	NM	.00	.0	06-12-84	7.8	.1	1.0	.32	1.59
Consul Restaurant	CNSL	7.88	7.25	7.25	-.50	-6.45	17.88	7.13	-.12	-1.59	-3.63	25.59	.32	.06 F	23.0	35.0	2.2	22.7	.00	.0	00-00-00	63.4	1.4	2.8	7.13	6.09
Cracker Barrel	CBRL	17.75	14.25	14.75	-1.88	-11.28	24.75	14.25	-.74	-2.37	-.84	-55.70	.86	.06 N	6.8	24.0	4.4	15.9	.14	.9	09-04-84	45.7	2.0	4.1	2.64	7.33
Cucos Inc	CUCO	4.00	3.75	4.00	.25	6.67	5.00	3.50	.22	.23	-1.85	-36.25	.19	.19 N	NC	38.0	8.3	21.1	.00	.0	00-00-00	2.4	.2	.7	20.00	50.00
Denny's Inc	DEN	40.75	40.00	40.75	.63	1.56	41.38	30.25	.18	.62	-5.74	-1.56	2.76	.22 F	8.6	16.0	3.7	14.8	.72	1.8	09-04-84	1216.0	44.7	1.4	17.25	19.71
Disney, Walt	DIS	59.50	57.13	57.88	-.25	-.43	68.50	45.25	-.23	.25	-3.83	-13.40	2.70	.21 N	7.3	-3.0	7.1	19.0	1.20	2.1	09-13-84	1307.4	93.2	1.4	10.04	40.58
Diversifoods	DFDI	14.63	12.50	12.50	-1.00	-7.41	19.13	10.50	.61	-2.33	-1.22	4.16	.99	-.13 S	-11.7	63.0	6.8	12.8	.26	2.1	10-09-84	484.3	32.9	1.1	2.68	5.48
Dunkin Donuts	DUNK	23.88	22.63	23.63	.13	.53	26.25	18.13	-.25	.30	2.75	14.22	1.62	.25 N	15.9	23.0	10.2	13.0	.32	1.4	08-13-84	77.5	7.9	.9	5.93	9.56
El Chico	ELCH	8.63	8.25	8.63	.13	1.47	14.75	7.75	-.03	.98	-1.94	7.43	.80	.80 Q	NC	73.0	4.7	10.8	.00	.0	01-04-84	77.0	3.6	1.7	.37	4.04
El Torito Rest	ET	13.50	12.00	13.13	1.13	9.38	14.63	9.00	-.17	.86	.35	4.34	.68	.85 S	NC	43.0	4.1	15.4	.00	.0	00-00-00	210.7	8.6	.5	4.97	4.76
Esteban Foods	ESTB	2.50	2.25	2.25	-.13	-5.26	4.88	1.63	1.15	.00	1.62	-45.36	.09	.09 S	NC	22.0	1.9	25.0	.00	.0	00-00-00	10.3	.2	1.3	.73	.81
Fast Food Oper	POPI	.94	.81	.88	.06	7.69	2.75	.81	-.77	.71	-1.27	-59.25	.06	.01 F	20.0	59.0	4.9	14.6	.00	.0	00-00-00	6.1	.3	.7	.02	.41
Flakey Jakes	FJAK	8.25	7.13	8.00	1.00	14.29	9.13	4.00	-.06	-.19	-.99	29.67	-.15	-.15 S	NC	NC	-23.1	NE	.00	.0	00-00-00	2.6	-.6	2.0	.27	1.02
Frisch's	FRS	31.38	30.63	30.63	-.75	-2.39	32.94	24.00	.05	-.20	-2.22	5.88	2.21	.29 F	15.1	22.0	4.0	13.9	.40	1.3	10-01-84	124.0	4.9	1.0	5.56	16.28
Fuddruckers Inc	FUDD	14.50	13.38	13.63	-.75	-5.22	17.50	9.25	-.03	-.02	1.52	5.08	.06	.02 Q	NC	7.0	2.0	NM	.00	.0	00-00-00	10.0	.2	4.9	.56	1.26
Garcias Scot	GMEX	3.88	3.13	3.50	.13	3.70	9.00	2.88	-.20	-1.88	-.25	-10.20	-.48	-.09 Q	NE	1.0	-6.1	NE	.00	.0	00-00-00	36.2	-2.2	.9	.55	3.61
Gen Mills	GIS	58.50	52.25	52.75	-2.88	-5.17	60.00	41.63	-.10	-2.05	1.51	32.33	4.98	-.55 Q	-10.5	12.0	4.2	11.3	2.24	4.2	10-03-84	5600.8	233.4	1.2	8.01	27.05
Good Taco	TACO	2.75	2.25	2.38	-.25	-9.52	7.00	1.50	-.70	-1.50	-1.28	-15.03	-.72	-.39 Q	NE	-63.0	-187.5	NE	.00	.0	00-00-00	.8	-1.5	8.7	.04	1.56
Hambrg Hamlet	HAMB	10.75	10.75	10.75	.00	.00	11.25	9.50	.01	.20	3.52	.00	1.16	2.26 F	NE	-17.0	2.3	9.3	.00	.0	00-00-00	35.5	.8	1.1	20.17	13.49

Diversifoods 3rd-qtr. profit down 17%

By an NRN *Staff Writer*

ITASCA, Ill. — Burdened by its ailing Godfather's Pizza division and heavy expenses at its Burger King outlets, Diversifoods Inc. said this year's third-quarter net profit was 17% lower than last year's.

The company said net profit in the quarter ended Sept. 30 was $7 million, compared to $8.5 million last year. Third-quarter revenue rose 16%, to $148.8 million.

Led by president and chief executive Donald N. Smith, Diversifoods management has proposed taking the company private for $15.50 per share, or $525 million in a leveraged buyout.

The company's stock price drifted to below $13 as, analysts said, investors came to believe that it would take months for Smith to win financing for the deal.

So far this year Diversifoods' net profit has totaled $22.2 million, 3% below last year's period, on revenue of $420.7 million, up 17%.

Smith blamed the reduced earnings on lower store-level sales and margins and greater corporate overhead at Godfather's.

Sales at the company's Burger King and Chart House division were "significantly" higher than last year, Smith said, but operating earnings didn't follow because of increased advertising spending and start-up costs at new outlets.

For the fourth quarter, he said, "We do not expect significant short-term earnings improvements."

Sandwich Chef finalizes deal to acquire Wine & Cheese Inc.

BIRMINGHAM, Ala. — Sandwich Chef Inc., operator of 206 office-building lunch counters, said it has completed the acquisition of Wine & Cheese Inc., a five-store Houston chain, in a deal valued at $750,000.

Sandwich Chef said the purchase price included 11,500 shares of Sandwich Chef stock and the assumption of $600,000 of Wine & Cheese's debt.

Collins Foods declares stock split

LOS ANGELES — Collins Foods International Inc. declared a 3-for-2 stock split, payable Nov. 16, to stockholders of record Nov. 2.

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

		STOCK PRICE							TREND TO MARKET				EARNINGS/SHARE					P/E	DIVIDENDS			FINANCIAL POSITION				
		The Week Ended Oct. 24							Price Trend (% per day)		Volume Trend (% per day)			Latest 12 Months vs Preceding 12 Months Change					Indicated Dvd. rate			Last Fiscal Year			Last Fiscal Year (Per Share)	
					Change		52-Week																			
Name	Symbol	High	Low	Close	Amt	Pct	High	Low	Last 30 Days	Last 5 Days	Last 30 Days	Last 5 Days	Last Fiscal Year	Amt.	Pct	5-Year Annual Growth Rate	Profit Margin	Latest P/E Ratio	Amt.	Yield	Last X-Dvd. Date	Revenue	Earnings	Current Ratio	Long Term Debt	Common Stock Equity
-	-	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	-	$	%	-	$ Mil	$ Mil	-	$	$
Hilton Hotels	HLT	54.50	51.50	54.25	2.50	4.83	59.50	45.50	.28	.60	-1.98	14.25	3.20	-1.38 N	-35.5	-3.0	14.0	21.7	1.80	3.3	08-31-84	611.6	85.9	2.6	9.06	23.73
Holiday Inns	HIA	40.50	36.50	39.88	2.63	7.05	54.75	35.25	.00	.79	.57	26.01	3.28	.29 N	9.2	12.0	7.8	11.7	.90	2.3	09-05-84	1585.1	124.4	.7	12.90	27.76
Horn & Hardart	HOR	10.25	9.38	10.13	.50	5.19	24.75	9.25	-.51	1.03	-8.01	9.44	1.09	.35 Q	46.6	71.0	4.0	9.2	.00	.0	08-15-84	339.7	13.5	1.1	3.04	7.86
Hungry Tiger	HTIG	5.00	4.75	4.75	-.25	-5.00	9.00	4.25	-.21	-1.21	-2.46	10.67	.00	-.78 N	-130.0	-17.0	.0	NE	.00	.0	11-15-82	63.8	.0	.9	4.75	3.66
Intl Dairy Queen	INDQ	40.00	40.00	40.00	.00	.00	40.00	32.50	.10	.25	-9.90	-36.36	2.94	.70 S	27.6	54.0	6.2	12.4	.00	.0	00-00-00	115.7	7.2	1.0	11.31	7.21
Intl King Tab	IKNG	16.25	15.25	15.50	-.50	-3.13	18.63	11.38	-.13	-1.17	.19	19.81	1.27	.43 F	51.1	74.0	4.9	12.2	.00	.0	09-11-84	78.2	3.8	.4	4.69	2.89
JB's Rest	JBBB	15.00	14.25	14.25	-.50	-3.39	16.25	10.38	-.07	-.81	-.89	-5.50	1.00	.07 N	6.7	20.0	4.1	12.8	.20	1.4	08-06-84	53.3	2.2	1.0	5.17	7.42
Jerrico Inc	JERR	18.25	15.88	17.13	1.13	7.03	19.63	11.88	.08	-1.33	3.60	-31.84	1.28	.03 F	2.4	10.0	4.2	13.4	.12	.7	08-20-84	484.1	20.4	1.5	4.54	11.47
Kapok Cp	KPK	2.00	1.50	1.63	-.25	-13.33	6.13	1.13	-2.42	-.93	3.21	-10.13	-1.29	-.92 F	NE	-52.0	-22.0	NE	.00	.0	00-00-00	12.3	-2.7	.7	1.74	2.45
Kelly-Johnston	KEJO	3.75	3.50	3.50	-.13	-3.45	16.00	2.63	-.42	-1.17	-3.29	-.53	.04	-.93 Q	-221.4	-27.0	.3	NE	.00	.0	10-13-82	88.1	.3	1.0	3.72	6.13
Karcher Carl	CARL	23.50	15.25	15.25	-7.88	-34.05	39.50	15.25	-.95	-7.89	9.01	15.41	1.32	.25 N	19.3	21.0	4.0	9.9	.00	.0	02-16-83	289.8	11.5	1.6	10.04	9.89
Luby's Cafe	LUB	32.00	29.00	31.88	2.88	9.91	32.00	23.63	.43	.65	2.40	-18.35	1.15	.23 N	20.7	27.0	9.8	23.8	.54	1.7	09-10-84	141.4	13.9	1.6	.45	5.85
Marcus Corp	MRCS	14.75	14.00	14.63	.50	3.54	15.00	11.38	-.01	.42	-3.53	-53.45	1.44	.16 F	12.5	6.0	5.8	10.2	.28	1.9	07-10-84	126.7	7.4	1.2	2.72	11.07
Marriott Corp	MHS	80.25	74.00	77.00	2.75	3.70	80.25	58.50	.02	-.50	.02	-38.79	4.15	.59 N	15.0	28.0	3.8	17.0	.44	.6	09-17-84	3036.7	115.2	.8	39.87	23.37
Maverick Rest	MAVR	6.00	5.25	5.25	-.38	-6.67	7.00	4.13	-.07	-1.55	1.26	-63.75	.13	.13 S	NC	85.0	9.5	40.4	.00	.0	00-00-00	6.3	.6	2.3	.06	.82
McDonald's Cp	MCD	55.88	51.75	53.13	1.38	2.66	55.88	40.84	.32	-.26	.15	-8.35	3.83	.57 S	16.1	22.0	11.4	13.0	.82	1.5	10-23-84	3001.1	342.6	.5	13.17	19.73
Morrison Inc	MORR	18.38	17.00	18.25	1.00	5.80	19.75	13.13	.07	.61	.66	13.46	1.48	.17 Q	12.5	16.0	4.4	11.9	.48	2.6	10-05-84	464.5	20.6	1.3	1.22	9.28
Mr Steak	MSST	1.75	1.50	1.63	.25	18.18	3.34	1.38	-.70	.57	-.08	-35.83	.15	.10 N	NE	-33.0	1.1	NE	.00	.0	03-26-84	63.2	.7	1.3	1.34	1.42
Nathans	NATH	2.50	2.25	2.25	-.25	-10.00	2.97	1.78	-.67	.00	-3.52	54.69	.19	.17 Q	188.8	38.0	2.0	8.7	.00	.0	09-11-84	20.0	.4	.8	.04	1.71
Natl Pizza	PIZA	8.00	7.50	7.75	-.25	-3.13	9.75	7.50	-.29	.28	-9.98	91.67	.79	.75 Q	NC	61.0	11.0	10.3	.00	.0	00-00-00	36.3	4.0	.9	.00	1.31
Naugles Inc	NAUG	9.00	7.13	7.25	-2.00	-21.62	20.25	7.13	-.35	-4.75	5.05	-17.39	-1.09	-1.79 F	-255.7	-31.0	-4.4	NE	.00	.0	11-01-82	114.8	-5.1	1.3	13.93	4.18
1 Potato 2	SPUD	5.00	4.00	4.25	.25	6.25	12.50	3.88	.16	-1.38	2.50	-62.50	.05	.05 Q	NC	115.0	1.1	85.0	.00	.0	00-00-00	9.3	.1	1.2	.98	3.63
Ogden Corp	OG	26.00	24.63	25.00	-.38	-1.48	32.50	24.13	-.27	-.09	-3.59	-1.71	2.64	.28 S	12.6	-8.0	3.0	10.0	1.80	7.2	09-10-84	1727.8	52.5	1.9	15.29	18.87
Old Fashion Fd	OFFI	5.25	5.25	5.25	.00	.00	7.50	4.75	.01	.29	-1.37	26.32	.60	.12 N	22.2	25.0	6.3	8.0	.00	.0	00-00-00	9.5	.6	1.7	3.01	3.01
Pancho Mex Buffet	PAMX	7.25	7.00	7.13	.13	1.79	8.00	5.88	-.39	.04	-2.26	-25.32	.43	.12 N	29.2	61.0	4.8	13.4	.13	1.8	09-06-84	25.1	1.2	1.2	.11	2.75
Peoples Rest	PEPL	1.50	1.25	1.38	.00	.00	9.75	1.13	-.14	1.52	-2.01	8.63	.28	-.32 N	-160.0	115.0	7.5	NE	.00	.0	00-00-00	25.3	1.9	1.3	1.86	4.41
PepsiCo Inc	PEP	45.00	42.75	43.63	-.25	-.57	45.50	34.50	-.01	.37	-.59	-12.52	3.01	.83 N	31.9	4.0	4.0	12.7	1.68	3.9	09-10-84	7093.6	284.1	1.3	8.76	19.18
Piccadilly Caf	PICC	20.50	18.50	18.50	-1.25	-6.33	24.25	13.13	-.45	-.59	-.27	64.03	1.40	.41 F	41.4	6.0	4.8	13.2	.60	3.2	09-10-84	173.8	8.4	1.6	.00	7.71
Pillsbury Co	PSY	44.38	41.13	42.50	1.00	2.41	44.38	33.00	.24	.21	-1.76	4.58	3.91	.60 Q	17.5	14.0	4.1	10.6	1.56	3.7	10-26-84	4172.3	169.8	1.2	11.65	24.22
Pizza Inn	PZA	9.00	8.13	8.50	-.50	-5.56	15.75	8.13	-1.10	.41	2.19	-3.25	1.14	.23 S	25.8	28.0	2.5	7.6	.08	.9	10-16-84	146.9	3.6	1.2	15.12	7.77
Po-Folks	POFO	13.38	10.38	11.63	-1.75	-13.08	16.63	10.38	-.54	-2.00	1.88	33.13	.37	.63 N	NC	9.0	1.9	18.5	.00	.0	00-00-00	69.8	1.3	1.1	4.68	4.95
Ponderosa Sys	PON	16.50	15.38	15.75	.25	1.61	24.88	15.00	-.94	-.23	1.08	-27.52	1.51	.07 S	4.5	-2.0	2.9	9.7	.40	2.5	09-18-84	418.0	12.1	.8	7.66	13.57
Prime Mtr Inn	PDQ	24.75	22.00	24.00	1.88	8.47	25.50	16.00	.05	.40	1.55	-29.05	1.20	.21 F	21.2	71.0	18.0	20.0	.12	.5	10-01-84	96.0	17.3	6.9	4.83	5.90
Primo Inc	PRMO	4.63	4.50	4.63	.13	2.78	7.00	2.38	.74	.87	1.62	-10.14	.11	.11 S	NC	113.0	11.5	42.0	.00	.0	00-00-00	2.6	.3	1.6	.83	1.08
Ramada Inns	RAM	7.25	6.38	6.50	.00	.00	11.63	5.63	.10	-.69	-1.28	8.20	.13	1.37 S	NE	-15.0	.7	10.3	.00	.0	10-19-81	572.0	4.2	.7	10.62	6.41
Rax Restaurants	RAXR	13.75	12.50	13.00	-.75	-5.45	21.50	12.00	-.76	-.58	-.19	2.60	.57	.63 Q	NC	57.0	3.8	20.6	.00	.0	00-00-00	63.0	2.4	1.7	4.33	3.63
Rest Assoc	RA	8.50	7.75	8.00	.38	4.92	9.50	6.50	-.07	-.80	5.62	13.33	.86	.09 S	12.6	19.0	1.6	10.0	.00	.0	00-00-00	141.1	2.2	1.0	112.50	144.44
Rest Systems	RSYS	13.25	12.50	13.00	.00	.00	14.25	9.00	-.28	-.66	-2.71	35.42	.72	.13 S	19.4	19.0	4.7	16.3	.00	.0	00-00-00	29.6	1.4	1.8	1.21	5.19
Ritzys G D	RITZ	3.75	2.75	2.75	-1.50	-35.29	10.75	2.75	-1.42	-1.08	6.29	-3.89	-.17	-.11 S	NE	-56.0	-9.6	NE	.00	.0	11-25-83	8.3	-.8	.7	.17	2.29
Rusty Pelican	RSTY	15.88	15.00	15.88	.75	4.96	17.63	10.75	-.07	1.35	6.05	3.44	.53	.58 S	NC	29.0	4.0	27.4	.00	.0	00-00-00	30.1	1.2	1.0	6.76	2.54
Ryans Fam Steak	RYAN	20.00	19.25	19.50	-.13	-.64	25.25	15.50	.15	-.13	3.28	-13.79	.52	.25 N	56.8	57.0	10.8	28.3	.00	.0	04-20-83	19.5	2.1	8.2	.19	3.89
Saga Corp	SGA	35.00	32.00	33.50	1.38	4.28	35.50	24.63	.11	.26	3.51	-18.36	2.40	.46 Q	22.8	77.0	2.7	13.6	.44	1.3	08-20-84	1131.0	31.0	1.0	5.86	12.70
Sandwich Chef	SHEF	7.50	7.50	7.50	.00	.00	11.75	6.75	-.41	.21	-.01	62.16	.55	-.15 F	-21.4	7.0	2.7	13.6	.00	.0	00-00-00	25.6	.7	1.5	.08	5.38
Sea Galley	SEAG	8.50	7.50	7.88	.13	1.61	11.63	7.13	.24	-1.72	-3.46	-18.45	.23	.86 S	600.0	20.0	1.2	9.1	.00	.0	06-02-81	73.0	.9	.6	5.06	3.18
Servico Inc	SRVI	22.75	20.50	20.50	-1.75	-7.87	24.50	13.50	-.03	-1.41	-.05	-87.98	1.19	.89 S	156.1	19.0	2.5	14.0	.00	.0	09-09-83	151.0	3.7	1.1	59.39	6.82
Shoney's Inc	SHON	35.13	32.75	33.25	.25	.76	35.13	20.00	.47	-.99	5.57	61.26	1.17	.33 N	31.4	33.0	6.0	24.1	.16	.5	10-01-84	392.8	23.4	1.6	2.64	6.83
Shoney's South	SHNS	16.00	15.00	15.00	-.63	-4.00	16.59	11.00	-.15	-.96	.53	14.62	.99	.36 S	46.7	33.0	3.5	13.3	.00	.0	10-02-84	142.0	4.9	.7	2.81	7.01
SIS Cp	SISB	5.50	5.50	5.50	.00	.00	10.75	5.00	.13	.28	-3.17	67.65	.14	.13 F	300.0	65.0	4.4	39.3	.00	.0	00-00-00	4.5	.2	6.0	.97	2.65
Sizzler Rest Intl	SIZZ	17.00	16.00	16.75	.50	3.08	18.75	8.75	-.23	.57	-3.44	41.09	1.01	.08 N	8.3	15.0	4.5	16.1	.00	.0	00-00-00	128.0	5.8	2.3	1.49	6.27
Skippers	SKIP	9.75	9.00	9.13	-.38	-3.95	11.50	8.00	-.30	-.57	1.95	37.27	.81	-.01 S	-1.2	24.0	4.0	11.6	.06	.7	04-02-84	50.5	2.0	1.3	1.84	6.39
Sonesta Intl	SNSTA	18.50	18.50	18.50	.00	.00	18.50	16.50	.02	.23	-11.79	.00	1.02	-.94 Q	-118.9	-17.0	2.3	NE	.30	1.6	06-04-84	73.4	1.7	.7	41.07	6.99
So Hospitality	SHOS	4.25	4.00	4.25	.00	.00	5.13	3.75	-.10	.96	.56	-13.64	.33	.06 F	22.2	90.0	4.2	12.9	.00	.0	00-00-00	35.7	1.5	1.7	3.17	2.23
Consol Prdts	COPI	5.13	5.00	5.00	.00	.00	10.00	4.75	-.01	.31	-11.41	-14.37	.29	.06 N	25.0	74.0	2.1	16.7	.00	.0	00-00-00	63.4	1.3	1.3	4.90	3.05
Taco Viva	TVIV	8.25	7.50	8.00	-.25	-3.03	10.75	7.00	-.50	.92	-5.03	-10.08	.40	.43 N	NC	-30.0	5.1	18.6	.00	.0	06-02-83	15.8	.8	1.8	.75	2.34
TGI Friday's	TGI	9.63	8.88	9.00	-.38	-4.00	17.88	8.63	-.69	-.31	-1.15	8.03	.65	.68 S	NC	14.0	4.5	13.2	.00	.0	00-00-00	229.5	10.4	1.9	2.44	6.94
TGIF Texas	TEXF	2.38	2.38	2.38	.00	.00	7.50	2.25	.02	.00	3.51	16.67	.06	-.01 Q	NC	120.0	.0	NE	.00	.0	00-00-00	9.0	.0	.9	1.19	1.92
Transworld	TW	31.88	28.63	30.38	1.50	5.19	33.53	22.97	.22	-.48	1.51	-40.45	1.30	7.19 S	NE	76.0	3.2	4.8	.40	1.3	08-09-84	1889.2	60.2	1.2	7.79	13.90
USACafes	USCF	3.75	3.63	3.75	.13	3.45	5.25	2.75	-.38	1.17	-5.57	3.45	NA	NA	NA	NA	NA	NA	.00	.0	00-00-00	NA	NA	NA	NA	NA
Vicorp Restaurants	VRES	18.88	18.13	18.63	.38	2.05	22.00	12.88	-.45	-.03	-6.94	-14.81	.85	.42 N	56.0	57.0	5.1	15.9	.12	.6	08-17-84	93.8	4.8	1.0	6.03	5.30
Victoria Stations	VSTA	3.75	3.25	3.50	.13	3.70	9.63	3.00	-1.73	-1.19	.88	-24.39	-1.02	-.44 N	NE	-61.0	-7.1	NE	.00	.0	09-19-79	111.9	-8.0	.6	8.39	8.51
Vie de France	VDEF	14.13	12.25	12.75	-1.38	-9.73	15.25	10.50	-.35	1.28	8.73	-78.49	.47	.47 F	NC	126.0	10.0	27.1	.11	.9	06-11-84	43.1	4.3	1.2	.18	1.08
Wendys Intl	WEN	19.88	18.13	19.13	.75	4.08	20.50	13.03	-.10	-.41	-3.15	-10.03	1.01	.27 S	30.3	22.0	7.7	16.5	.24	1.3	08-06-84	715.1	55.2	.7	1.59	5.67
Wstn Steer	WSMP	11.00	10.75	11.00	.25	2.33	13.25	9.00	.20	.25	-2.74	-22.83	1.02	.07 Q	7.1	4.0	3.3	10.5	.20	1.8	08-24-84	36.1	1.2	1.6	5.02	10.04
Winners Cp	WNR	7.50	6.88	6.88	-.50	-6.78	16.25	6.75	-.29	-1.81	-2.85	18.16	.63	.01 S	1.6	11.0	3.3	11.1	.00	.0	03-10-83	88.2	2.9	1.2	10.32	7.40

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

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DALI

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Nation's
Restaurant News®

The Weekly Newspaper of the Food-Service Industry

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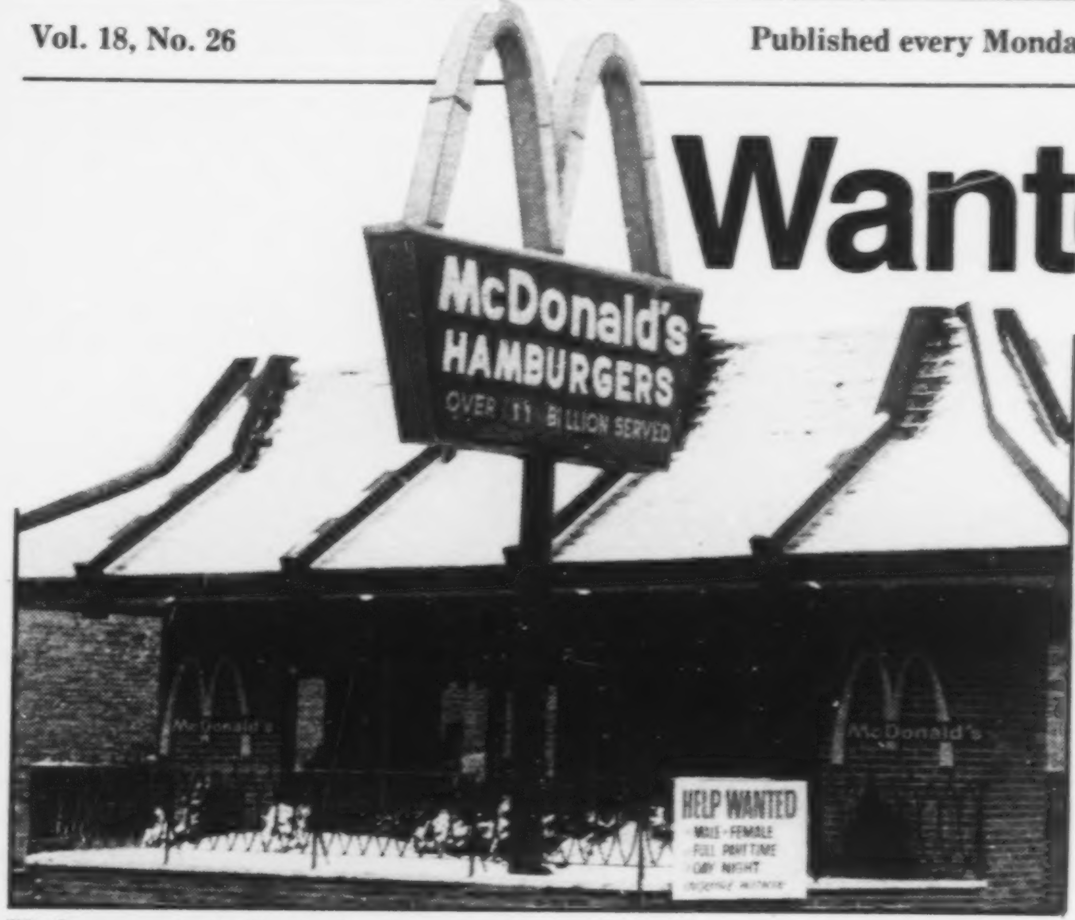
Wanted: Hourly workers

Operators struggle to fill widening job gap



Help wanted signs have sprung up across the country.

By Susan Spedalle

Managers in suburban fast-food outlets are scrambling to find employees in time for what analysts already are calling "a big Christmas." Chain executives are holding closed-door meetings to discuss a general and growing problem: finding hourly workers.

Some even predict that current frustrations will change the entire food-service industry's approach to hourly recruitment, since the bigger fast feeders such as Hardee's, McDonald's and Wendy's have been hit hard by the problem.

The labor situation became critical this past summer when fewer workers returned to fast-food operations for seasonal employment. The normal crews of college kids and part-time laborers failed to materialize, managers say, because the economy was good and job seekers did not have to accept minimum-wage positions.

"Any time the economy is good we have a problem," says Ken Mayhew, assistant vice president for personnel for Boddie Noell, one of Hardee's chief franchisees. "With a recovery there's a chicken in every pot."

Granted that the national unemployment rate is 7.4%, suburbs of such cities as Phoe-

(Continued on page 114)

Department stores boost food in battle for competitive edge

By Patricia Stoll

CHICAGO — Quick-service, limited-menu, contemporary-niche concepts are sprouting up in precious selling space in department and specialty stores here as they turn to food service for a marketing edge in an ongoing battle for patrons and profits.

At such leading retailers as Marshall Field's and Carson Pirie Scott (both Chicago-based) and Neiman-Marcus (Dallas-based), food service is moving from a backwater service function to the forefront of store marketing efforts.

Though actual square footage devoted to food service is being diminished in some instances, demand for sales and profit contributions is increasing. At Carson Pirie Scott's flagship State Street store, a new minimum-service, high-productivity concept named Counter Offer—located on the building's lower level—is being given more play than the company's more traditional restaurants. Even in the traditional restaurants, some of the same service ideas have been introduced.

At Marshall Field's original store, also on State Street, several restaurants now feature quick service and limited menus. More of the same is planned for spring, when

(Continued on page 114)

TACO BELL
DRIVE TH

Most of the acquired units will become Taco Bells within six months.

Taco Bell to acquire Pup 'n Taco

IRVINE, Calif. — Taco Bell has agreed to buy all 99 units of privately held Pup 'n Taco Drive Up, the Long Beach, Calif.-based fast-food chain operating throughout southern California. Terms of the proposed buyout, expected to close within 60 days, were not disclosed.

Phased conversion of nearly all units to the Taco Bell for-

(Continued on page 114)

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PIZZA TIME is no more. The company, deeply in debt, will liquidate all its assets by year's end 9

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Hacienda stakes claim in N.Y.

Personal touch pays off for Mexican independent

By Paul Frumkin

LARCHMONT, N.Y. — While Mexican dinnerhouse chains continue a somewhat understated romance of the potentially lucrative Northeast, Hacienda Don Emilio, a new 96-seat independent, appears to have rushed in and swept Westchester County off its feet.

Since it opened only three months ago, business has climbed to more than 1,500 covers weekly, with check averages hovering around $15—a clear indication, many point out, that the area is starving for Mexican food.

But Emilio Martinez, the Hacienda's co-owner and namesake, claims that the restaurant's early success can be attributed to a shrewd mix of meticulously prepared Mexican dishes, good promotional planning and his personal touch in dealing with guests.

To kick off the Hacienda's grand opening last July, Martinez threw a party in the parking lot that included free food served from buffet tables, long-stem roses for all of the women and boxes of Cuban cigars for the men. "We served over 5,000 people that day," he says. "Our food cost still hasn't settled down.

"But you know what they

(Continued on page 10)

Hacienda Don Emilio co-owner Emilio Martinez prepares to greet patrons near the entrance to his restaurant.

Carl Karcher Enterprises revises its profit projections

Company 'cautiously anticipating' improved 4th quarter

By Richard Martin

ANAHEIM, Calif. — A sudden, radical revision in profit projections by top management at Carl Karcher Enterprises (CKE) has stirred up a flurry of concern among industry analysts over the 400-unit fast feeder's strategic planning.

With the introduction of $4 dinners, $2.50 burgers and an overall 10% menu-price increase in the last two years, did the company's Carl's Jr. chain move itself into an upscale niche faster than its customer base was willing to follow?

And have the simultaneous emphasis on expansion into new markets and the start-up of franchising distracted management from operations and marketing problems that are being tied to slackening traffic?

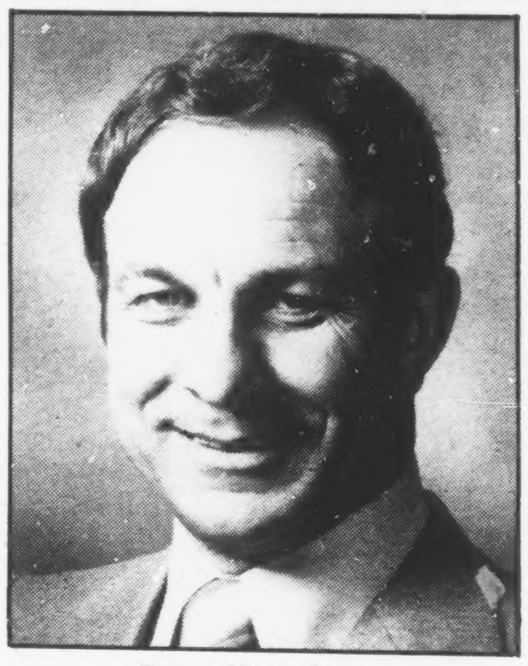
Company officials admitted last month that because of spending to develop new markets—especially in Texas—net profits to be reported for the third quarter, ended Nov. 2, would be as much as 50% lower than the $2.7 million net recorded in the same period last year. However, admission followed a quite different prediction at the end of August by CKE president and chief operating officer Donald F. Karcher that earnings would rebound during the last half of the year, after a second quarter in which net profit was down 1% from year to year, to $3.34 million, excluding gains from the sales of restaurants to franchisees.

Carl Karcher
board chairman

At presstime, CKE finance and administration vice president Loren C. Pannier said the company is "cautiously anticipating" that fourth-quarter profits will be up from the third period and will also exceed last year's fourth-quarter results on a pretax basis.

Pannier added that CKE's management is planning to "rejuvenate revenues" in the fourth quarter and will also take steps to address the possible price/value confusion of traditional customers resulting from recent upscaling.

Last year CKE turned a net profit of $11.5 million on sales of $289.8 million while enjoying an overall 5.5% real sales increase in its average unit.



Don Karcher
president, ceo

But the company has watched year-to-year real sales performances drift in fiscal 1985 from a 3% gain in the first quarter to a 1% decline in the second (attributed to interference by the Los Angeles Olympics in southern California, where CKE has two-thirds of its units) and then to an estimated 7% drop in the third quarter just ended.

These numbers, reflecting an obvious loss of patronage, call into question the company's menu diversification and its marketing strategies, analysts observe. Charbroiler dinners introduced systemwide last year are producing no more than 4% of sales in the majority of units, despite costly ad campaigns touting service on real plates.

The recent upgrading of two burger items from ¼-lb. to ⅓-lb. sizes (with concurrent 25% menu-price boosts) has similarly not yielded substantial new business, according to

(Continued on page 111)

Major chains targeting mid-Manhattan

NEW YORK — Chain restaurant development is exploding in midtown Manhattan and the downtown financial district. For the first time, many operators are taking the plunge here as part of their intensive search for underdeveloped and nontraditional markets and sites.

A vast array of nationally popular concepts previously unknown to most New Yorkers have arrived in recent months, including Houlihan's, Del Taco, Sizzler and Godfather's Pizza. These and several others are franchised by the powerful Riese Organization, a local real-estate firm with several hundred prime restaurant sites.

But development is in no way limited to Riese. McDonald's a few months ago opened a large, bilevel unit in Times Square, reportedly the chain's most expensive ever, with yearly rent of $100 per square foot.

Within shouting distance is a high-volume Popeyes Famous Fried Chicken, one of three in Manhattan; a sparkling new Sbarro Italian restaurant; a large Burger King slated for remodeling, and numerous Riese-franchised properties including a high-volume Roy Rogers and the city's first Del Taco Mexican Cafe.

A New Jersey-based Burger King franchisee is busy developing no-frills, no-seats Whopper Express units. Horn & Hardart is opening Bojangles' fast-food chicken places around town while operating nine older Burger Kings and seven Arby's. Tony Roma's, a Place for Ribs has two Manhattan dinnerhouses, and Chicago-based Pizzeria Uno is packing in customers at its Greenwich Village site.

Riese, meanwhile, is developing other franchised concepts, including El Torito,

(Continued on page 111)

Steak & Brew Burger
Brew Burger
DEL TACO

Del Taco, new to New Yorkers, prepares to move into the former midtown Manhattan digs of Steak & Brew Burger.

COMMODITIES

Record-high prices for Calif. canned fruit

NRN Special Report

The prices of some California canned fruits have hit record highs, particularly cling peaches, pears, apricots and fruit cocktail. California Choice cling peaches and pears in heavy syrup have both hit $17.75 per case of six No. 10 cans, although Northwest packers have only hiked their pears to $17 per case. Apricots are at $23 for both Choice unpeeled halves and whole peeled in heavy syrup. Fruit cocktail is at $19.25.

The supply of fruit cocktail in No. 10 cans is the least it has been since World War II. Even though the use of fruit cocktail has been tapering off in recent years, because of the increasing use of frozen and chilled fruits, the short supply for the 1984-85 pack may cause some packers to put distributors

(Continued on page 111)

PRICE MOVEMENT AT A GLANCE

	Oct. 26, 1983	Sept. 26, 1984	Oct. 26, 1984
Beaf, Choice, 700-900 lb., Midwest (lb.)	$ 0.90	$ 0.89	$ 0.94
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$ 0.5667	$ 0.5296	$ 0.5063
Coffee, green beans, Brazilian, N.Y.C. (lb.)	$ 1.44	$ 1.44	$ 1.38
Eggs, Grade A, large white, Chicago (doz.)	$ 0.76	$ 0.67-$0.69	$ 0.58-$0.59
Hams, canned, large (11-12 lb.), Polish (lb.)	$ 1.56-$1.61	$ 1.78-$1.81	$ 1.69
Lettuce, iceberg, Calif. (24s)	$ 4-$5	$10	$ 5-$8
Peaches, Cling, Choice HS, Calif. (6/10)	$12.50	$17	$17.75
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$ 0.84	$ 0.87	$ 0.83
Soybean oil, crude, Midwest (lb.)	$ 0.2922	$ 0.2830	$ 0.3180
Tuna, yellowfin, in water, Philippines (6/66½ oz.)	$23-$24	$27.50	$28-$29

Source: NRN *Research*

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

MAN IN THE NEWS

Hal Smith follows mentor Brinker to Chili's

DALLAS — Hal W. Smith reported for duty at Chili's on Nov. 1. But before taking over as executive vice president-operations, he renewed a few friendships. Like those of several other Chili's executives, Smith's career developed at Pillsbury's S & A Restaurant Corp., operators of Steak & Ale, Bennigan's and J. J. Muggs.

For Smith the career move was particularly significant. At 38, he had risen to chairman and chief executive at S & A, overseeing two large and thriving chains and one emerging upscale burger concept. Now he was moving into a lesser post at Chili's, a much smaller operation.

When Smith resigned his post at S & A, where he had worked for 13 years, he complained that there was "a void in the entrepreneurial flame at this stage of my career." He also expressed a desire to work outside a large corporate environment.

What he did not say, but what appears evident, was his desire to renew a professional relationship with his former boss and mentor, Norman Brinker.

Brinker had resigned as chairman and chief executive at S & A in June 1983 to move to Chili's, a casual restaurant chain specializing in large burgers and Tex-Mex food. It seemed appropriate that Smith, long considered Brinker's protégé, would succeed him.

Brinker, who enjoys a reputation as one of food service's top managers and is known for the fierce loyalty he instills in the people working for him, has made periodic raids on S & A headquarters.

Former S & A executives

(Continued on page 111)

Hal Smith

Average checks up 8%-16% nationwide

PHILADELPHIA — Average per-person checks jumped 8.6% to $8.87 at restaurants serving alcoholic beverages and 16% to $3.48 at food-only restaurants in 1983 compared with the previous year, according to "Restaurant Industry Operations Report" prepared by public accountants Laventhol & Horwath for the National Restaurant Association.

The report, based on a survey of more than 900 NRA members in various segments, concluded that food service "is poised for a period of more steady growth" after suffering through the 1980-82 recessionary period. "The economic climate in 1984 is healthy and the recovery from the severe 1982 recession continues to be robust," it declared.

Restaurants serving food only reported median food sales per seat of $4,688 during 1983 while median food costs were $4,648 a seat. In restaurants serving alcoholic beverages, per-seat food sales were $3,272. Beverage sales in those restaurants were $921 a seat and food and beverage costs $1,554 a seat, according to the report.

Food-only restaurants had a median seat turnover of 3.77 while food-and-beverage restaurants reported a median seat turnover of 1.4. In food-only restaurants, net income before taxes was 9.2%. At restaurants serving alcoholic beverages, net income before taxes was also 9.2%.

Median food and labor costs per sales dollar for food-only establishments in 1983 dropped 2% to about 65¢. The median cost at restaurants serving alcoholic beverages was 66.7¢—a 1.2% decrease from 1982.

The report said that "continued economic gains, rising personal income and beneficial demographic and lifestyle trends will have a positive effect on the industry in 1985 and beyond."

Consumer needs and desires, along with operator plans to "find profitable market niches, will be the major forces behind the changes in the industry this year."

Among the changes: Operators will be adding new menu items to take advantage of consumer interest in health, nutrition and ethnic foods; redecorating their restaurants to more adult atmospheres; repositioning traditional fast-food concepts as upscale restaurants; addressing consumer demands for quality and value, and focusing advertising and promotions on market segmentation and brand differentiation, the report said.

To support its conclusions that food service has recovered fully from the recession, the report noted that inflation-adjusted (real) sales may rise nearly 5% this year, following a 4.3% jump in 1983 and a 1.3% jump in 1982.

Sales in the commercial segment will reach $139.6 billion this year, compared with $127.7 billion in 1983 and $117.4 billion in 1982. Total industry sales are expected to be $157 billion this year, up 3.5% from 1983.

Laventhol & Horwath and the NRA reported that there are 560,000 food-service establishments in the United States employing more than 8 million persons. A fourth of the industry's employees are teenagers and two-thirds are women, the study noted.

Nearly 40% of the average consumer's food dollar goes to pay for meals out.

MEDIAN AVERAGE CHECK AT FOOD-ONLY ESTABLISHMENTS

Type of Establishment	Median Average Check
Age:	
Less than 5	$3.35
5 to 10	3.98
More than 10	3.37
Location:	
Urban	3.47
Suburban	3.34
Rural	3.59
Meals Served:	
Breakfast & Lunch Only	2.24
Lunch & Dinner Only	3.57
Dinner Only	8.22
All Meals	3.25
Menu Theme:	
American	3.53
Hamburgers	2.59
Steak & Seafood	4.93
Pizza	8.36
All Others	3.28
Region:	
Northeast	3.52
North Central	3.75
South	3.37
West	3.47
Type of Restaurant:	
Cafeteria	3.73
Limited Menu (Self-Serve)	3.35
Limited Menu (Table Service)	3.88
Coffee Shop	2.77
All Food-Only Establishments	3.48

Source: Laventhol & Horwath and National Restaurant Association

Pizza Time to liquidate assets

SUNNYVALE, Calif. — Pizza Time Theatre will disappear as a corporate entity by the end of 1984 following liquidation of its remaining Chuck E. Cheese's restaurants, a manufacturing facility and its corporate headquarters here, company officials have indicated.

A United States bankruptcy court judge in San Jose, Calif., approved the liquidation of the ill-fated company, which has operated under Chapter 11 protection from creditors since March, when liabilities totaled $108.2 million. Pizza Time lost $81 million on revenues of $151.8 million last year.

Starting with 74 remaining pizza-and-games restaurants in 14 states from California to Florida, Pizza Time had disposed of about 30 units at presstime, according to Alan Cohen, president of the New York City-based firm Alco Capital Corp., handling the liquidation.

In some cases, Alco has split up individual units to sell equipment, real estate and video arcade games and rides separately. Nearly all of the units had been shuttered, and the remaining two or three still operating will close soon.

In September Pizza Time sold 60 of its better operating units and rights to its 135-unit franchise operation to Brock Hotel Corp. for an undisclosed sum.

An undisclosed number of the 30-odd units thus far disposed of by Alco would be reopened as franchised Chuck E. Cheese's units under the Brock franchising system.

Along with pizza ovens, beer dispensers and other restaurant equipment, the company's assets for sale include $300,000 worth of computer chips, computer-animated robot performers and electronic assembly and testing equipment.

Pizza boom puts operator behind bars

CHICAGO — A pizza parlor proprietor here found guilty of escalating competition to an explosive level was sentenced by a Federal judge to six years in prison.

Biagio Cirrincione, 53, on three separate occasions had bombed two Nancy's stuffed pizza restaurants owned by the restaurant's founder, Rocco Palese. Cirrincione also owns two Nancy's stuffed pizza restaurants, originally franchised from Palese.

The two have been in dispute over the name, Palese's daughter, Marisa, said, ever since the founder took legal action against Cirrincione.

Also convicted for assisting Cirrincione in the three separate incidents of bombings were his son, Thomas, 24, and an unrelated third person, Lester Lewis, 32. They were each sentenced to 2½ years in prison.

Assistant U.S. attorneys contended that the defendants bombed Palese's restaurant in an attempt to corner the Chicago market for the popular pizza. U.S. District Court Judge Susan Getzendanner ordered the Cirrinciones to pay full restitution—which might amount to $500,000—to Palese.

DATELINE D.C.

NRA: Big Brother's coming may be only a year late

By Ken Rankin
Washington Editor

Imagine a national certification and testing program for every one of the nation's five million-plus waiters, waitresses, cooks, kitchen employees and other restaurant industry food workers.

Although the prospect of federally established standards governing all food-service personnel may sound like another farfetched 1984 Big Brother scare story, top National Restaurant Association (NRA) officials see this as a serious possibility.

The immediate cause of concern is the ongoing effort of the Food and Drug Administration (F.D.A.) to develop a national examination to measure sanitation know-how among restaurant personnel. While the F.D.A.'s scheme is directed solely at restaurant industry unit managers, the NRA has advised its members that the F.D.A.'s program might well "lead to other requirements, such as a 'national food-service worker' examination."

In a letter to F.D.A. Commissioner Frank Young, NRA chairman Harris Machus took sharp exception to the controversial Federal certification and testing initiative, arguing that the restaurant industry "is already well regulated" by local health and sanitation officials all across the country.

Noting that "the cost of a uniform national test would be borne by the food-service industry," Machus called the F.D.A. scheme "unnecessary since the industry is safer and more sanitary than at any [previous] time in history."

"In all likelihood," he said, local health and sanitation departments "would not withdraw their existing programs." As a result, the F.D.A.'s national testing campaign would only "create another layer of bureaucracy."

For their part, influential food safety regulators here in Washington told *Nation's Restaurant News* that their sanitation certification plan is not designed to impose any new burdens on the restaurant industry and that it should help concerned food-service operators to upgrade the performance of their employees.

According to one F.D.A. official responsible for engineering the new certification program, the uniform testing procedures envisioned by the agency should prove particularly helpful for multistate chains whose personnel are subject to conflicting local requirements.

Moreover, F.D.A. food regulators contend that nationwide testing would help restaurateurs sort out employees with low "sanitation I.Q.s" and would make it easier for operators to provide additional training for these workers.

Several spokesmen for the agency emphasized that their certification initiative would be "voluntary" and that the plan "is not some kind of a Big Brother scheme" designed to create a new regulatory role for the government.

Restaurant industry leaders, however, suspect that the F.D.A. approach may well mandate some form of testing, which might "deprive an operator of his or her livelihood."

Although the NRA acknowledged that "the test would not be mandatory at first," it did warn its members that "if local jurisdictions did not adopt" the F.D.A. program, "mandatory testing could be the next logical step."

In urging individual food-service operators to write letters of protest to Commissioner Young and other F.D.A. officials, Machus noted that the present record high level of food safety in restaurants is evidence that "food protection and sanitation matters are best addressed at the local level."

For the record, the F.D.A.'s plan for a uniform national food-service manager "bar exam" type test on sanitation savvy involves subjecting industry supervisory personnel to a 50-75-question quiz, which is currently under development.

Though there's no word yet on how tough the test will be, it is being designed for the F.D.A. by the Educational Testing Service, which develops College Board exams.

Although F.D.A. projects tend to drag on for years, NRA officials expect the agency to have the new food-service test "ready for implementation" by next July.

The NRA's grass-roots write-in campaign might delay that timetable, but it appears that F.D.A. food safety officials are committed to the uniform certification concept as a means of neutralizing criticism that the agency has grown soft on enforcement.

Hardee's earnings $33 million

MONTREAL — Imasco Ltd. said its Hardee's restaurant division posted $33.1 million (Canadian) in operating earnings for the second quarter ended in September, a 10% gain from the year before.

Second-quarter restaurant revenue was $341.2 million, a 13% advance.

For the six-month period, Imasco said, its restaurant operations had operating earnings of $60.7 million, up 13%, on revenue of $663.1, up 16%.

"The slower growth in the restaurant division during the first six months," said chairman and chief executive Paul Pare, "is expected to improve during the second half."

Total net profit for the Canadian conglomerate was $62 million for the quarter, up 18%, and $113.9 million for the half-year, also up 18%.

Swensen's 3rd qtr. reflects restructuring

PHOENIX — Swensen's Inc. has been dramatically restructured as an ice cream manufacturer, its third-quarter financial results show.

The company, which franchises a 390-unit ice cream and family restaurant chain, acquired two ice cream factories from Foremost Dairies of San Francisco in August.

In the third quarter, ended Sept. 30, Swensen's reported consolidated revenue of $15.5 million, almost a fivefold increase from last year's $3.35 million.

Third-quarter net profit rose 28%, to $169,000. But earnings per share sank 2¢, to 4¢, as the number of shares doubled to 4.45 million from 2.2 million with the Foremost acquisition.

Fuddruckers offsets 6-month loss

SAN ANTONIO — Fuddruckers Inc. said a third-quarter net profit of $375,000 has offset its six-month $353,000 net loss.

The company said it plans to be profitable for the fourth quarter and the year.

The national upscale hamburger chain said net profit in the third quarter, ended Sept. 30, was $375,000.

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Losers over winners, 56-29, in pre-election trading

NEW YORK — Earnings disappointments and a generally uncertain market teamed to trounce restaurant stock prices in the latest two-week period covered by the *Nation's Restaurant News* Food-Service Stock Analysis Table.

Declining issues outnumbered advancing issues 56 to 29, with 16 unchanged. Seven of the top 10 volume leaders were down. Sixteen stocks hit 52-week lows, and three of them closed at year-long dips.

In the same fortnight, ending Nov. 2, the Dow Jones Industrial Average closed at 1217, down from 1225 at the start. Analysts said the market, which slipped in the first week and rose in the second, was uncertain about the direction of the economy.

Peoples Restaurants led the volume list with 2.4 million shares trading hands. Peoples closed at $1, down 38¢. The company finalized the sale of its stake in a crafts retailer.

Diversifoods, which is involved in a leveraged buyout proposal, slipped $1.25, to close at $12.50. Its Godfather's earnings were down 90% year-to-year.

McDonald's and Wendy's were both on the losing side. McDonald's fell $2, to $53. Wendy's dropped $1, to $18.38.

Denny's, another leveraged buyout candidate, edged upward 63¢, to $40.88. Denny's posted 75¢ in earnings per share for the latest quarter, against 85¢ last year.

Leading the losers was Carl Karcher, which recently projected a 50% cut in quarterly earnings. Karcher plummeted $7, to close at $16, after hitting a $14.75 52-week low.

G. D. Ritzy's, which almost doubled its quarterly loss from last year, slipped 63¢, to finish at $2.38, after touching its $2.25 52-week low-tide mark.

Sis Corp., a Sister's chicken and biscuits franchisee, closed at $4.50, a 52-week low, after falling $1. Sis posted a $29,000 net loss for the latest quarter compared to $56,000 of profits last year.

Among the few winners, Kapok Corp. gained 50¢, to close at $2.13. Rusty Pelican was up $2, to $17.25. Concept Development, up $1, to $8.75. Church's Fried Chicken, up $1.75, to $29.25.

VOLUME LEADERS

Company Name	The Week's Volume (100's)	Company Name	The Week's Volume (100's)
Peoples Rest	24,379	PepsiCo Inc	8,410
Diversifoods	12,757	Ramada Inns	7,307
McDonald's Cp	12,520	Denny's Inc	5,912
Transworld	12,420	Chi – Chi's	5,903
Wendys Intl	8,411	Karcher Carl	5,532

TOP FIVE GAINERS

Company Name	The Week's Volume (100's)	Latest Closing Prices	% Price Change Last Week
Kapok Cp	1,099	2.13	+ 30.8
Ch Full O Nut	343	9.63	+ 13.2
Rusty Pelican	1,642	17.25	+ 13.1
Concept Dev	1,340	8.75	+ 12.9
Hambrg Hamlet	25	12.00	+ 11.6

TOP FIVE LOSERS

Company Name	The Week's Volume (100's)	Latest Closing Prices	% Price Change Last Week
Karcher Carl	5,532	16.00	– 30.4
Peoples Rest	24,379	1.00	– 27.3
Ritzys G D	512	2.38	– 20.8
1 Potato 2	101	4.00	– 20.0
Fast Food Oper	814	.75	– 20.0

		STOCK PRICE							TREND TO MARKET				EARNINGS/SHARE					P/E	DIVIDENDS			FINANCIAL POSITION				
		Two weeks ended Nov. 2							Price Trend (% per day)		Volume Trend (% per day)			Latest 12 Months vs Preceding 12 Months Change					Indicated Dvd. rate			Last Fiscal Year			Last Fiscal Year (Per Share)	
					Change		52-Week																			
Name	Symbol	High	Low	Close	Amt	Pct	High	Low	Last 30 Days	Last 5 Days	Last 30 Days	Last 5 Days	Last Fiscal Year	Amt.	Pct	5-Year Annual Growth Rate	Profit Margin	Latest P/E Ratio	Amt.	Yield	Last X-Dvd. Date	Revenue	Earnings	Current Ratio	Long Term Debt	Common Stock Equity
-	-	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	-	$	%	-	$ Mil	$ Mil	-	$	$
A&M Food Svcs	AMFD	4.13	3.88	3.88	-.13	-3.13	8.75	3.88	-.66	-.94	-2.39	-2.73	.40	-.06 S	-13.3	6.0	4.3	9.9	.00	.0	00-00-00	25.4	1.1	2.5	1.21	2.19
Acapulco Rest	ALAR	4.38	4.25	4.38	.13	2.94	6.50	3.88	-.06	-.29	3.59	-12.04	-2.05	-1.96 N	-633.3	-78.0	-12.9	NE	.00	.0	01-06-81	37.9	-4.9	1.8	6.37	1.01
Allegheny Bev	ABEV	19.50	16.50	18.50	-1.00	-5.13	20.00	13.44	.75	-.23	1.64	-30.32	1.67	.00 S	.0	33.0	2.1	11.9	.80	4.3	09-26-84	526.1	10.8	1.8	30.14	10.01
Am Motor Inns	INN	21.25	20.50	21.00	.00	.00	21.75	12.50	.01	-.33	-3.84	-27.42	2.52	-.40 S	-17.5	91.0	8.6	11.2	.16	.8	08-09-84	162.5	13.9	1.8	6.02	7.95
ARA Services	ARA	69.25	68.13	69.13	1.13	1.65	69.25	40.25	.11	-.01	-3.99	-19.79	4.51	.92 N	23.0	-1.0	1.8	14.0	2.10	3.0	08-27-84	3056.6	53.7	1.1	22.33	44.24
Assoc Hosts	AHST	15.75	14.00	15.38	.50	3.36	17.13	10.50	-.17	.20	-4.00	-15.74	.72	.33 N	61.1	1.0	3.6	17.7	.12	.8	09-11-84	88.3	3.2	1.3	5.25	5.71
Beefsteak Char	BCS	3.00	2.75	2.88	-.13	-4.17	5.00	2.63	-.33	-.55	-.75	12.22	-1.30	-2.34 Q	-285.3	-53.0	-7.0	NE	.00	.0	00-00-00	95.2	-6.7	1.7	3.13	3.54
Bob Evans Farms	BOBE	20.25	17.50	18.50	-.50	-2.63	24.00	14.75	.05	.17	3.95	-3.31	.98	.07 Q	7.5	14.0	8.0	18.5	.30	1.6	08-06-84	201.7	16.1	2.4	.00	6.20
Brock Hotel Cp	BHC	4.25	3.63	4.13	-.13	-2.94	7.63	3.63	-.82	.33	3.58	54.08	.17	-.04 S	-22.2	-10.0	.7	29.5	.10	2.4	07-05-84	319.8	2.2	.8	15.66	4.47
Calibre Cp	CLBR	4.25	3.50	4.25	.00	.00	9.00	3.25	-.89	.93	1.75	-46.38	.07	-.20 S	NC	-67.0	3.2	NE	.00	.0	00-00-00	6.3	.2	.9	.60	2.12
Cainy Food	CLNY	10.38	9.50	9.88	-.38	-3.66	10.75	7.25	.58	-1.39	8.51	-32.28	.52	.07 S	14.0	5.0	4.8	17.3	.16	1.6	10-24-84	43.6	2.1	1.3	.66	3.76
Capt Crab Inc	CRAB	2.13	1.88	2.00	.00	.00	6.88	1.63	-.24	-2.30	-3.99	-7.19	.00	-.05 N	NC	67.0	.0	NE	.00	.0	00-00-00	1.5	.0	7.5	.01	.29
Carrols Cp	CRL	9.75	9.00	9.38	.13	1.35	10.88	7.13	.08	-.13	-3.11	-41.82	.68	.09 Q	15.7	70.0	3.8	14.2	.05	.5	12-23-83	121.7	4.6	1.2	2.34	4.22
Chi-Chi's	CHIC	14.50	13.38	13.50	-1.13	-7.69	25.75	12.50	-.17	-1.10	-2.67	5.06	.66	.24 Q	52.1	120.0	10.6	19.3	.00	.0	09-28-83	158.0	16.7	3.2	.96	3.54
Chilis Inc	CHLI	21.38	19.00	21.38	.88	4.27	24.25	12.75	-.35	-.01	7.50	-55.67	.29	.17 N	NC	2.0	6.4	NM	.00	0	00-00-00	31.2	2.0	1.3	1.82	.63
Ch Full O Nut	CHF	10.13	8.38	9.63	1.13	13.24	14.56	8.38	-.19	2.12	2.02	-3.19	.62	-.20 N	-35.7	-6.0	2.9	26.7	.48	5.0	06-29-84	111.6	3.2	2.9	.34	6.69
Churchs Fr Ch	CHU	30.00	27.38	29.25	1.75	6.36	32.50	21.25	.22	.63	-1.17	14.29	1.66	.02 N	1.0	2.0	7.0	15.2	.80	2.7	10-29-84	454.5	31.6	1.6	.74	12.68
Collins Foods	CF	25.38	24.38	25.00	.13	.50	25.38	14.88	.37	-.13	-1.27	21.49	1.77	.29 Q	18.5	35.0	3.9	13.5	.24	1.0	09-24-84	393.3	15.4	2.1	7.26	11.44
Concept Dev	CDII	8.75	7.75	8.75	1.00	12.90	17.69	6.00	.64	2.65	-4.68	7.83	.06	.06 N	NC	116.0	1.3	NM	.00	.0	06-12-84	7.8	.1	1.0	.32	1.59
Consul Restaurant	CNSL	7.75	6.25	6.50	-1.25	-16.13	17.88	6.25	-.40	-2.39	-.74	-3.25	.32	-.02 Q	-7.4	48.0	2.2	26.0	.00	.0	00-00-00	63.4	1.4	2.8	7.13	6.09
Cracker Barrel	CBRL	16.75	14.00	14.25	-2.75	-16.18	23.50	14.00	-.87	.18	-6.01	-32.45	.86	.06 N	6.8	24.0	4.4	15.3	.14	1.0	09-04-84	45.7	2.0	4.1	2.64	7.33
Cucos Inc	CUCO	4.00	4.00	4.00	.00	.00	5.00	3.50	.27	-.31	-4.05	-92.31	.19	.19 N	NC	38.0	8.3	21.1	.00	.0	00-00-00	2.4	.2	.7	20.00	50.00
Denny's Inc	DEN	41.13	40.13	40.88	.63	1.55	41.38	30.25	.09	-.27	-5.19	-31.05	2.76	.22 F	8.6	16.0	3.7	14.8	.72	1.8	09-04-84	1216.0	44.7	1.4	17.25	19.71
Disney, Walt	DIS	58.88	56.25	56.63	-1.13	-1.95	68.50	45.25	-.11	-.66	-7.83	-39.43	2.70	.21 N	7.3	-3.0	7.1	18.6	1.20	2.1	09-13-84	1307.4	93.2	1.4	10.04	40.58
Diversifoods	DFDI	13.75	11.63	12.50	-1.25	-9.09	19.13	10.50	.08	-.38	-5.31	-3.32	.99	-.13 S	-11.7	63.0	6.8	12.8	.26	2.1	10-09-84	484.3	32.9	1.1	2.68	5.48
Dunkin Donuts	DUNK	23.88	23.50	23.88	.25	1.06	26.25	18.13	-.24	-.04	.76	-15.80	1.62	.25 N	15.9	23.0	10.2	13.1	.32	1.3	08-13-84	77.5	7.9	.9	5.93	9.56
El Chico	ELCH	8.75	8.25	8.50	.13	1.49	14.75	7.75	.02	-.98	-1.83	-8.95	.80	.80 Q	NC	73.0	4.7	10.6	.00	.0	01-04-84	77.0	3.6	1.7	.37	4.04
El Torito Rest	ET	13.13	12.63	12.75	-.25	-1.92	14.63	9.00	.02	-.56	-1.13	22.49	.68	.68 N	NC	14.0	4.1	18.8	.00	.0	00-00-00	210.7	8.6	.5	4.97	4.76
Esteban Foods	ESTB	2.38	2.13	2.13	-.25	-10.53	4.75	1.63	.99	-2.71	.20	-38.41	.09	.01 S	NC	-75.0	1.9	NM	.00	.0	00-00-00	10.5	.2	1.3	.73	.81
Fast Food Oper	POPI	.88	.69	.75	-.19	-20.00	2.75	.69	-.80	-2.50	1.20	-14.31	.06	.01 F	20.0	59.0	4.9	12.5	.00	.0	00-00-00	6.1	.3	.7	.02	.41
Flakey Jakes	FJAK	8.25	7.63	7.63	-.63	-7.58	9.13	4.00	.05	-.53	2.94	-30.94	-.15	-.15 S	NC	NC	-23.1	NE	.00	.0	00-00-00	2.6	-.6	2.0	.27	1.02
Frisch's	FRS	31.13	30.13	30.50	-.75	-2.40	32.75	24.00	-.22	-.19	-5.69	15.00	2.21	-.41 Q	-18.5	18.0	4.0	16.9	.40	1.3	10-01-84	124.0	4.9	1.0	5.56	16.28
Fuddruckers Inc	FUDD	14.00	11.88	12.13	-1.63	-11.82	17.50	9.25	-.11	-3.60	1.23	.42	.06	.02 Q	NC	7.0	2.0	NM	.00	.0	00-00-00	10.0	.2	4.9	.56	1.26
Garcias Scot	GMEX	3.75	3.50	3.50	.00	.00	9.00	2.88	-.06	-.44	-2.98	25.76	-.48	.07 S	NE	6.0	-6.1	NE	.00	.0	00-00-00	36.2	-2.2	.9	.55	3.61
Gen Mills	GIS	58.50	51.13	53.00	-3.88	-6.81	60.00	41.63	-.12	-.01	.65	-13.72	4.98	-.55 Q	-10.5	12.0	4.2	11.4	2.24	4.2	10-03-84	5600.8	233.4	1.2	8.01	27.05
Good Taco	TACO	2.63	2.00	2.00	-.25	-11.11	7.00	1.50	-1.36	-2.84	1.21	.77	-.72	-.39 Q	NE	-63.0	-187.5	NE	.00	.0	00-00-00	.8	-1.5	8.7	.04	1.56
Hambrg Hamlet	HAMB	12.00	10.50	12.00	1.25	11.63	12.00	9.50	.14	2.91	3.34	-35.00	1.16	2.26 F	NE	-17.0	2.3	10.3	.00	.0	00-00-00	35.5	.8	1.1	20.17	13.49

'Industry pattern' plagues Pizza Inn in 3rd quarter

DALLAS — Pizza Inn Inc. said a number of one-time expenses and sluggish sales depressed net profit in the third quarter, ended Sept. 23, to $618,000, down 34% from the year-ago quarter.

Third-quarter revenue rose 24%, to $48.6 million.

For the nine-month period, Pizza Inn said, net profit was $2.5 million, down 13% from the year-ago period, on revenue of $135.6 million, a 22% advance.

The company said operating margins "fell below expectations" because franchised outlets were repossessed, five marginal company stores were closed and "consumer response to a third-quarter promotion was less than anticipated.

"Pizza Inn followed the industry pattern," the company said, "experiencing soft sales."

The company noted that "the decline in August sales coincided with the Olympic Games."

In addition, "business continued to be sluggish through September. Overall sales during the first weeks of October have begun to rebound, and the company expects a gradual improvement," Pizza Inn said.

The company added that it continues to expand its J.T. McCord's bar and grill concept and to expand its pasta bars.

El Torito 3rd-qtr. net up 24% to $4M

IRVINE, Calif. — El Torito Restaurants Inc., a Mexican dinnerhouse operator, said net profit advanced 24% year-to-year to $4 million in the third quarter ended Sept. 30. Sales rose 17%, to $65.9 million.

Nine-month net profit rose 45%, to $9 million.

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

		STOCK PRICE							TREND TO MARKET				EARNINGS/SHARE					P/E	DIVIDENDS			FINANCIAL POSITION				
		Two weeks ended Nov. 2							Price Trend (% per day)		Volume Trend (% per day)			Latest 12 Months vs Preceding 12 Months Change					Indicated Dvd. rate			Last Fiscal Year			Last Fiscal Year (Per Share)	
					Change		52-Week																			
Name	Symbol	High	Low	Close	Amt	Pct	High	Low	Last 30 Days	Last 5 Days	Last 30 Days	Last 5 Days	Last Fiscal Year	Amt.	Pct	5-Year Annual Growth Rate	Profit Margin	Latest P/E Ratio	Amt.	Yield	Last X-Dvd. Date	Revenue	Earnings	Current Ratio	Long Term Debt	Common Stock Equity
-	-	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	-	$	%	-	$ Mil	$ Mil	-	$	$
Hilton Hotels	HLT	55.25	53.00	55.25	2.25	4.25	59.50	45.50	.30	-.13	.89	-38.89	3.20	-1.38 N	-35.5	-3.0	14.0	22.1	1.80	3.3	08-31-84	611.6	85.9	2.6	9.06	23.73
Holiday Inns	HIA	41.25	38.88	41.00	1.88	4.79	54.75	35.25	.19	.41	-2.30	17.69	3.28	.29 N	9.2	12.0	7.8	12.0	.90	2.2	09-05-84	1585.1	124.4	.7	12.90	27.76
Horn & Hardart	HOR	10.13	9.50	9.88	-.13	-1.25	24.75	9.25	-.02	-.38	-2.36	37.82	1.09	.29 S	33.3	67.0	4.0	8.5	.00	.0	08-15-84	339.7	13.5	1.1	3.04	7.86
Hungry Tiger	HTIG	5.00	4.50	4.75	-.13	-2.56	9.00	4.25	-.20	1.08	-2.67	-21.98	.00	-.78 N	-130.0	-17.0	.0	NE	.00	.0	11-15-82	63.8	.0	.9	4.75	3.66
Intl Dairy Queen	INDQ	40.50	40.00	40.50	.50	1.25	40.50	32.50	.06	-.10	-13.84	-27.78	2.94	.70 S	27.6	54.0	6.2	12.5	.00	.0	00-00-00	115.7	7.2	1.0	11.31	[illegible]
Intl King Tab	IKNG	16.50	15.25	16.50	.25	1.54	18.63	11.38	-.28	1.41	-.10	-22.96	1.27	.43 F	51.1	74.0	4.9	13.0	.00	.0	09-11-84	78.2	3.8	.4	4.69	2.69
JB's Rest	JBBB	15.00	14.25	14.88	-.13	-.83	16.25	10.38	-.01	.39	-.18	-11.76	1.00	.07 N	6.7	20.0	4.1	13.4	.20	1.3	08-06-84	53.3	2.2	1.0	5.17	7.42
Jerrico Inc	JERR	18.00	16.63	17.88	.38	2.14	19.63	11.88	.13	.20	.79	3.93	1.28	.03 F	2.4	10.0	4.2	14.0	.12	.7	08-20-84	484.1	20.4	1.5	4.54	11.47
Kapok Cp	KPK	2.25	1.50	2.13	.50	30.77	5.88	1.13	-1.37	5.32	2.61	-11.83	-1.29	-.92 F	NE	-52.0	-22.0	NE	.00	.0	00-00-00	12.3	-2.7	.7	1.74	2.45
Kelly-Johnston	KEJO	3.75	3.00	3.00	-.63	-17.24	16.00	2.63	-.54	-4.14	2.92	30.59	.04	-.93 Q	-221.4	-27.0	.3	NE	.00	.0	10-13-82	88.1	.3	1.0	3.72	6.13
Karcher Carl	CARL	21.50	14.75	16.00	-7.00	-30.43	39.50	14.75	-1.57	.51	8.24	-58.30	1.32	.25 N	19.3	21.0	4.0	10.4	.00	.0	02-16-83	289.8	11.5	1.6	10.04	9.89
Luby's Cafe	LUB	32.00	29.50	29.75	-1.13	-3.64	32.00	23.63	.28	-1.76	1.10	-4.50	1.43	.28 F	24.3	30.0	9.9	20.8	.54	1.8	09-10-84	174.9	17.4	1.6	.45	5.85
Marcus Corp	MRCS	14.75	14.50	14.75	.00	.00	15.00	11.38	-.01	-.30	-7.01	-22.22	1.44	.16 F	12.5	6.0	5.8	10.2	.28	1.9	07-10-84	126.7	7.4	1.2	2.72	11.07
Marriott Corp	MHS	80.25	76.25	78.38	-.13	-.16	80.25	58.50	.07	.39	-.75	27.32	4.15	.59 N	15.0	28.0	3.8	17.3	.44	.6	09-17-84	3036.7	115.2	.8	39.87	23.37
Maverick Rest	MAVR	5.63	5.25	5.25	-.75	-12.50	7.00	4.13	-.15	-.36	.95	8.89	.13	.13 S	NC	85.0	9.5	40.4	.00	.0	00-00-00	6.3	.6	2.3	.06	.82
McDonald's Cp	MCD	55.25	52.13	53.00	-2.00	-3.64	55.88	40.84	.30	.04	1.27	3.91	3.83	.57 S	16.1	22.0	11.4	12.9	.82	1.5	10-23-84	3001.1	342.6	.5	13.17	19.73
Morrison Inc	MORR	18.38	17.63	18.13	.25	1.40	19.75	13.13	.13	-.47	2.58	-.87	1.48	.17 Q	12.5	16.0	4.4	11.8	.48	2.6	10-05-84	464.5	20.6	1.3	1.22	9.28
Mr Steak	MSST	1.63	1.38	1.50	-.25	-14.29	3.34	1.38	-.45	-2.54	2.35	-2.65	.15	.10 N	NE	-33.0	1.1	NE	.00	.0	03-26-84	63.2	.7	1.3	1.34	1.42
Nathans	NATH	2.38	2.25	2.38	.13	5.56	2.97	1.78	-.63	.67	-3.48	-35.00	.19	.17 Q	188.8	38.0	2.0	9.1	.00	.0	09-11-84	20.0	.4	.8	.04	1.71
Natl Pizza	PIZA	7.75	7.50	7.50	-.25	-3.23	9.75	7.50	-.28	-1.04	-14.26	41.67	.79	.75 Q	NC	61.0	11.0	10.0	.00	.0	00-00-00	36.3	4.0	.9	.00	1.31
Naugles Inc	NAUG	8.88	7.00	7.50	-1.50	-16.67	20.25	7.00	-.79	.56	9.29	-66.67	-1.09	1.79 F	-255.7	-31.0	-4.4	NE	.00	.0	11-01-82	114.8	-5.1	1.3	13.93	4.18
1 Potato 2	SPUD	4.63	4.00	4.00	-1.00	-20.00	12.50	3.88	.21	-2.13	.83	32.24	.05	.05 Q	NC	115.0	1.1	80.0	.00	.0	00-00-00	9.3	.1	1.2	.98	3.63
Ogden Corp	OG	25.88	24.38	25.38	.00	.00	32.50	24.13	-.10	.29	-6.20	-6.37	2.64	-.33 N	-13.0	-8.0	3.0	11.5	1.80	7.1	09-10-84	1727.8	52.5	1.9	15.29	18.87
Old Fashion Fd	OFFI	5.25	5.25	5.25	.00	.00	7.50	4.75	-.04	-.36	.25	54.03	.57	-.03 F	-5.0	21.0	6.2	9.2	.00	.0	00-00-00	11.3	.7	1.7	3.01	3.01
Pancho Mex Buffet	PAMX	7.25	7.13	7.13	-.13	-1.72	8.00	5.88	-.35	-.83	-2.74	10.95	.43	.12 N	29.2	61.0	4.8	13.4	.13	1.8	09-06-84	25.1	1.2	1.2	.11	2.75
Peoples Rest	PEPL	1.50	.88	1.00	-.38	-27.27	9.75	.88	-.52	-8.89	10.22	.69	.28	-.32 N	-160.0	115.0	7.5	NE	.00	.0	00-00-00	25.3	1.9	1.3	1.86	4.41
PepsiCo Inc	PEP	45.00	43.13	44.25	.25	.57	45.50	34.50	.07	-.11	-.25	-4.42	3.01	.83 N	31.9	4.0	4.0	12.9	1.68	3.8	09-10-84	7093.6	284.1	1.3	8.76	19.18
Piccadilly Caf	PICC	19.63	17.38	18.50	-.75	-3.90	24.25	13.13	-.40	.56	1.07	.32	1.40	.41 F	41.4	6.0	4.8	13.2	.60	3.2	09-10-84	173.8	8.4	1.6	.00	7.71
Pillsbury Co	PSY	44.38	42.00	42.88	-.25	-.58	44.38	33.00	.32	-.65	-.98	.24	3.91	.60 Q	17.5	14.0	4.1	10.7	1.56	3.6	10-26-84	4172.3	169.8	1.2	11.65	24.22
Pizza Inn	PZA	8.88	8.13	8.38	-.38	-4.29	15.75	8.13	-.89	-.71	.57	-1.50	1.14	.23 S	25.8	28.0	2.5	7.5	.08	1.0	10-16-84	146.9	3.6	1.2	15.12	7.77
Po-Folks	POFO	12.38	10.25	12.38	.38	3.13	16.63	10.25	-.70	.08	2.64	-30.22	.37	.63 N	NC	9.0	1.9	19.6	.00	.0	00-00-00	69.8	1.3	1.1	4.68	4.95
Ponderosa Sys	PON	16.13	15.63	15.75	-.25	-1.56	24.88	15.00	-.85	-.28	-2.36	-61.12	1.51	.07 S	4.5	-2.0	2.9	9.7	.40	2.5	09-18-84	418.0	12.1	.8	7.66	13.57
Prime Mtr Inn	PDQ	24.75	22.63	23.38	.00	.00	25.50	16.00	.09	-.47	3.14	27.98	1.20	.21 F	21.2	71.0	18.0	19.5	.12	.5	10-01-84	96.0	17.3	6.9	4.83	5.90
Primo Inc	PRMO	4.63	4.13	4.25	-.25	-5.56	7.00	2.38	.32	-1.77	-.28	-33.71	.11	.11 S	NC	113.0	11.5	38.6	.00	.0	00-00-00	2.6	.3	1.6	.83	1.08
Ramada Inns	RAM	6.88	6.00	6.38	-.50	-7.27	11.63	5.63	-.06	-1.13	-3.26	4.16	.13	1.37 S	NE	-15.0	.7	10.1	.00	.0	10-19-81	572.0	4.2	.7	10.62	6.41
Rax Restaurants	RAXR	13.25	12.00	12.50	-1.00	-7.41	21.50	12.00	-.85	-.77	-.50	-30.06	.57	.63 Q	NC	57.0	3.8	19.8	.00	.0	00-00-00	63.0	2.4	1.7	4.33	3.63
Rest Assoc	RA	8.50	8.00	8.00	-.25	-3.03	9.50	6.50	-.01	-.66	3.86	18.06	.86	.09 S	12.6	19.0	1.6	10.0	.00	.0	00-00-00	141.1	2.2	1.0	112.50	144.44
Restaurant Sys	RSYS	13.25	12.50	12.50	-.75	-5.66	14.25	9.00	-.39	-.57	-1.99	-14.08	.72	.13 S	19.4	19.0	4.7	15.6	.00	.0	00-00-00	29.6	1.4	1.8	1.21	5.19
Ritzys G D	RITZ	3.13	2.25	2.38	-.63	-20.83	10.75	2.25	-2.25	-2.11	4.39	-22.91	.17	.11 S	NE	-56.0	-9.6	NE	.00	.0	11-25-83	8.3	-.8	.7	.17	2.29
Rusty Pelican	RSTY	17.25	15.25	17.25	2.00	13.11	17.63	10.75	.18	1.78	3.95	-5.09	.53	.58 S	NC	29.0	4.0	29.7	.00	.0	00-00-00	30.1	1.2	1.0	6.76	2.54
Ryans Fam Steak	RYAN	19.75	19.00	19.00	-.75	-3.80	25.25	15.50	.09	-1.02	2.19	-7.11	.52	.25 N	56.8	57.0	10.8	27.5	.00	.0	04-20-83	19.5	2.1	8.2	.19	3.89
Saga Corp	SGA	33.88	32.00	33.63	-.38	-1.10	35.50	24.63	.13	-.07	.71	4.67	2.40	.46 Q	22.8	77.0	2.7	13.6	.44	1.3	08-20-84	1131.0	31.0	1.0	5.86	12.70
Sandwich Chef	SHEF	7.50	7.25	7.50	.00	.00	11.75	6.75	-.44	.73	3.68	-7.87	.55	.15 F	-21.4	7.0	2.7	13.6	.00	.0	00-00-00	25.6	.7	1.5	.08	5.38
Sea Galley	SEAG	8.50	7.25	7.75	-.50	-6.06	11.63	7.13	.13	-.36	-6.55	21.01	.23	.86 S	600.0	20.0	1.2	8.9	.00	.0	06-02-81	73.0	.9	.6	5.06	3.18
Servico Inc	SRVI	21.75	20.25	20.50	-2.25	-9.89	24.50	13.50	-.31	-.33	-6.00	16.67	1.19	.89 S	156.1	19.0	2.5	14.0	.00	.0	09-09-83	151.0	3.7	1.1	59.39	6.82
Shoney's Inc	SHON	35.13	32.00	33.50	-1.50	-4.29	35.13	20.00	.22	.35	5.43	21.35	1.17	.33 N	31.4	33.0	6.0	24.3	.16	.5	10-01-84	392.8	23.4	1.6	2.64	6.83
Shoney's South	SHNS	15.75	14.50	14.50	-1.13	-7.20	16.59	11.00	-.39	-.77	.82	41.91	.99	.31 N	35.6	32.0	3.5	12.3	.00	.0	10-02-84	141.6	4.9	.7	2.81	7.01
SIS Cp	SISB	5.50	4.50	4.50	-1.00	-18.18	10.75	4.50	-.19	-4.71	-3.83	-41.30	.14	.13 F	300.0	65.0	4.4	32.1	.00	.0	00-00-00	4.5	.2	6.0	.97	2.65
Sizzler Rest Intl	SIZZ	17.00	16.50	17.00	.75	4.62	18.75	8.75	-.01	-.19	-3.91	3.61	1.01	.08 N	8.3	15.0	4.5	16.3	.00	.0	00-00-00	128.0	5.8	2.3	1.49	6.27
Skippers	SKIP	9.75	9.00	9.75	.00	.00	11.50	8.00	-.18	.26	6.73	-29.50	.81	-.01 S	-1.2	24.0	4.0	12.3	.06	.6	04-02-84	50.5	2.0	1.3	1.84	6.39
Sonesta Intl	SNSTA	18.50	18.50	18.50	.00	.00	18.50	16.50	-.04	-.37	6.45	-16.67	1.02	-.85 S	-125.0	-16.0	2.3	NE	.30	1.6	06-04-84	73.4	1.7	.7	41.07	6.99
So Hospitality	SHOS	4.25	4.13	4.25	.13	3.03	5.13	3.75	-.10	.00	7.64	34.71	.33	.06 F	22.2	90.0	4.2	12.9	.00	.0	00-00-00	35.7	1.5	1.7	3.17	2.23
Consol Prdts	COPI	5.13	5.00	5.00	.00	.00	10.00	4.75	-.05	-.12	-3.71	31.08	.29	.06 N	25.0	74.0	2.1	16.7	.00	.0	00-00-00	63.4	1.3	1.3	4.90	3.05
Taco Viva	TVIV	8.25	7.50	8.00	.13	1.59	10.75	7.00	-.35	-.35	2.65	15.77	.40	.43 N	NC	30.0	5.1	18.6	.00	.0	06-02-83	15.8	.8	1.8	.75	2.34
TGI Friday's	TGI	9.75	8.88	9.63	.25	2.67	17.88	8.63	-.44	1.93	-3.88	4.55	.65	.68 S	NC	14.0	4.5	14.2	.00	.0	00-00-00	229.5	10.4	1.9	2.44	6.94
TGIF Texas	TEXF	2.38	2.38	2.38	.00	.00	7.50	2.25	-.05	-.40	.60	38.24	.06	-.01 Q	NC	120.0	.0	NE	.00	.0	00-00-00	9.0	.0	.9	1.19	1.92
Transworld	TW	31.88	30.00	31.13	.63	2.05	33.53	23.34	.24	.33	.28	13.29	1.30	7.19 S	NE	76.0	3.2	4.9	.40	1.3	08-09-84	1889.2	60.2	1.2	7.79	13.90
USACafes	USCF	3.75	3.63	3.63	.00	.00	5.25	2.75	-.35	-.69	-4.36	59.62	NA	NA	NA	NA	NA	NA	.00	.0	00-00-00	NA	NA	NA	NA	NA
Vicorp Restaurants	VRES	18.88	18.25	18.25	-.50	-2.67	22.00	12.88	-.39	-.80	-5.44	-54.45	.85	.42 N	56.0	57.0	5.1	15.6	.12	.7	08-17-84	93.8	4.8	1.0	6.03	5.30
Victoria Stations	VSTA	3.75	3.13	3.25	-.38	-10.34	9.63	3.00	-1.72	-1.65	-2.75	13.16	-1.02	-.44 N	NE	-61.0	-7.1	NE	.00	.0	09-19-79	111.9	-8.0	.6	8.39	8.51
Vie de France	VDEF	12.75	12.25	12.63	-1.38	-9.82	15.25	10.50	-.53	-.37	4.44	-77.69	.47	.47 F	NC	126.0	10.0	26.9	.23	1.8	12-10-84	43.1	4.3	1.2	.18	1.08
Wendys Intl	WEN	19.88	18.25	18.38	-1.00	-5.16	20.50	13.13	-.05	-1.51	.21	4.41	1.01	.27 S	30.3	22.0	7.7	15.8	.24	1.3	08-06-84	715.1	55.2	.7	1.59	5.67
Wstn Steer	WSMP	11.00	10.75	10.75	.00	.00	13.25	9.00	-.02	-1.04	-6.11	10.00	1.02	-.05 S	-5.1	3.0	3.3	11.7	.20	1.9	08-24-84	36.1	1.2	1.6	5.02	10.04
Winners Cp	WNR	7.50	6.25	6.75	-.75	-10.00	16.25	6.25	-.41	.80	-1.11	-42.47	.63	-.10 N	-16.9	6.0	3.3	13.8	.00	.0	03-10-83	88.2	2.9	1.2	10.32	7.40

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Footnotes:

NA - Not Applicable
NC - Not Calculable
NE - Negative Earnings
NM - No Meaningful Figure
Q - First Quarter
S - First 6 Months
N - First 9 Months
F - Fiscal Year

Data and Table Prepared by Media General Financial Services, Inc., Richmond, Virginia 23219

Food court operators stake out nation's malls
—Pages 38-41

Inside France's biggest wholesale food market
—Pages 54-55

Food service facing a tough fourth quarter
—Page 71

Nation's
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Reagan victory hailed, but problems loom

Failure to carry Congress fuels doubts

By Rick Telberg

Food-service industry leaders hailed President Reagan's sweeping re-election victory as a landslide vote for a fiscal policy that promises healthy sales and earnings advances for the restaurant business.

But many economists were more cautious in their optimism. And some lobbyists said Congress, dogged by a bulging Federal deficit, will be compelled to raise taxes.

"It's one of the greatest victories the restaurant industry has ever had," said W. H. "Buckshot" Price, executive vice president of the Texas Restaurant Association.

"There's a feeling of consistency and continuity in this election," said Richard Sherman, president of Church's Fried Chicken in San Antonio. "That means people will be more willing to spend their money on eating out, rather than pull in their horns and save."

"We're confident," said Jeff Rogers, president of USA Cafes of Dallas, franchisor of Bonanza steakhouses, "that this signals a continued moderate economic growth program with disposable dollars not being affected by tax increases."

Economists generally agree that real restaurant sales, which grew at more than 5% through the beginning of the year, are moderating to below 5%, but will remain positive through most of 1985.

Inflation may run at 5% to 6% next year, from 4% to 5% this year. But food and labor costs should hold steady, and disposable incomes may rise faster than inflation, economists say.

"We're experiencing a significant slowdown in economic activity right now," said economist Steven Wood, of Chase Econometrics in Bala-Cynwyd, Pa. "But we won't fall into recession in 1985."

"We're forecasting a 'growth recession,'" said Roger Brinner at Data Resources

(Continued on page 12)

S & A Restaurants fights back after losing eight top executives

By Charles Bernstein

DALLAS — Can a large diversified food-service chain company continue to grow and prosper after losing eight key executives in a little over a year?

That is the $64 million question facing S & A Restaurant Corp., following the departure of founder-chairman Norman Brinker 1½ years ago and the subsequent departures of seven S & A executives to join Brinker across town here at Chili's. The most recent such jump by Brinker's S & A successor, Hal Smith, has further fueled speculation about how S & A can stay on course.

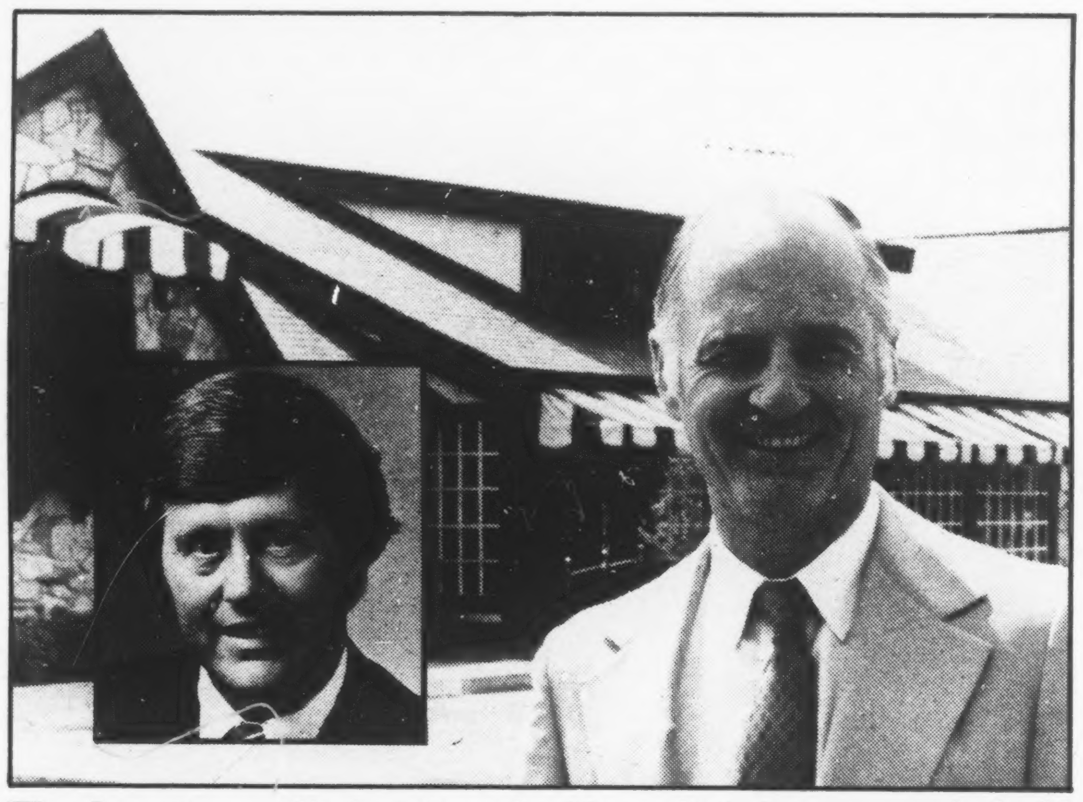
Meanwhile bad feeling has been generated at S & A (denied officially but unquestionably lurking beneath the surface) by Pillsbury's previous threat to sue Brinker and Chili's to prevent any more departures from S & A to Chili's.

Industry observers, skeptics and analysts seriously question whether any company can easily or fully recover from such massive executive losses. But top officials at S & A, parent Pillsbury and others maintain that S & A is "so deep in capable veteran executives" that it will in fact prosper "as never before."

Michael Jenkins, S & A president and chief executive officer, is in line also to become chairman next year, and chief executive officer, executive vice president and chief operating officer Richard Frank would become president.

Donald Slater, who has just been named Bennigan's general manager, started nine

(Continued on page 74)



The departure of S & A founder Norm Brinker one and a half years ago is credited with triggering the resignation of seven other top S & A executives, including Hal Smith (inset).

INSIDE NRN

RED LOBSTER has begun an aggressive media campaign to promote take-out platters 18

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Perino's files for Chapter 11 protection

By Richard Martin
West Coast Editor

LOS ANGELES — The owner of the year-old Perino's Downtown, an ornate, $8.5 million multilevel restaurant complex, has filed for court protection from creditors and disclosed plans to reopen in January on swank Wilshire Boulevard, where the original Perino's reigned for 50 years as one of the city's most distinguished restaurants.

"We were anticipating an 80% following of our old customers, but we didn't get 10%," explained Perino's president, Francis J. Esgro.

He is now negotiating with fast feeders and other chain operators to have them take over

(Continued on page 74)

Hunting for game

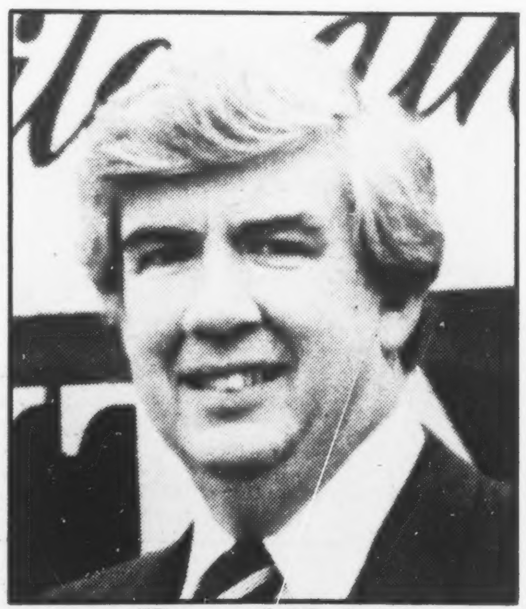
New approaches boost popularity

By Susan Spedalle
Food Trends Editor

Customer interest and innovative cooking techniques have increased the number of restaurants that serve wild game. No longer a novelty, wild meat and fowl can now be found on the menus of numerous restaurants in larger cities.

Wild game was traditionally the exclusive province of three kinds of restaurants: hunt-themed rooms with trophies on the walls, fine French restaurants that served game each autumn and operations that used exotic animals for their shock appeal.

The approach nowadays is quite different. Young American chefs are treating birds and meat the way they would any other interesting ingredients. In Houston Amy Fuergeson, of Charlie's 517, serves raw venison as a carpaccio. In Cincinnati the Heritage restaurant creates an omelet consisting of a variety of wild beasts.



Howard Melvin
Heritage owner

Game birds have become very popular on menus, and it is no surprise to find pheasant, quail, partridge or wild turkey in a fine restaurant.

(Continued on page 22)

Cajun and Creole catching attention coast to coast

By Richard Martin
West Coast Editor

LOS ANGELES — Reaching for a cooling glass of water after having downed a forkful of Cajun jambalaya at the high-grossing Ritz Cafe here, the customer managed a smile while small beads of sweat formed on his brow.

"It's hot. But it's good," he said, somewhat flushed.

Hot and good. More than just a restaurant patron's critique of the increasingly popular regional Cajun and Creole cuisine of New Orleans, this assessment seems to echo the sentiments of an increasing number of operators about a concept that can deliver a spicy profit along with a pungent bowl of gumbo.

But, like roses and thorns, every crawfish has its claws. "Spice resistance" in noncosmopolitan markets and costly commodity supply lines from the Louisiana bayous for those distant operations intent on maintaining Cajun-Creole authenticity are but two of the logistical hurdles that managers of such restaurants must get across.

From coast to coast the solid success of some Cajun-Creole restaurants outside the Deep South has inspired their owners to think of expansion and has bred new entrepreneurial ventures by others who have similar menu concepts.

The large food-service conglomerates are also rumored to be eyeing Cajun-Creole as one of the next exploitable trends for possible proliferation.

Popeyes' founder, Al Copeland, has his sights set on San Francisco and New York as new homes for his Copeland's of New Orleans Cajun American Cafe dinnerhouse concept, which currently has three units in Louisiana.

Meanwhile Paul Prudhomme, chef and owner of K-Paul's Louisiana Kitchen in New Orleans, continues to lead the Cajun-Creole "movement" by virtue of his Cajun heritage, the pre-eminent reputations of his restaurant and cookbook, and the evident demand for his high-priced menu consultations.

But Prudhomme—acclaimed as he is by other Cajun-Creole practitioners—is not the only proponent of the genre who is meeting with huge success.

THE
RITZ
CAFE
ORLEANS
Cajun Creole Restaurant

Above: The Ritz Cafe. Inset: Orleans owner Jake Ptasznik (left) and manager Tom Gibson.

In Los Angeles the five-month-old, 150-seat Ritz Cafe is doing anywhere from 2½ to four table turns a night on its way to an estimated $3.5 million in first-year sales—making it one of the hottest new restaurants to open there this year.

Owner Sam Du Vall, an accomplished 17-year restaurant veteran based in San Francisco, plans to launch another Ritz next spring near the Empire State Building in New York (where a flourishing, five-year-old operation

(Continued on page 74)

COMMODITIES

Interest in trading 'ag options' increases

By Gary S. Friedman
Commodities Analyst

More people are investigating the use of ag options since the last time it was written about in this column. The smart ones are taking advantage of the hiatus before the agricultural options really start to trade to talk to various investment counsellors to determine how trading ag options might work for them in their business and portfolio needs.

However, there are some who haven't the foggiest notion about how to begin to ask questions. For this reason some fundamental questions in this potentially very exciting new trading vehicle will be addressed.

First again, the option is the right, but not the obligation, to buy or sell commodities in the future. The advantage is obvious: A right can be exercised, but only when it's in your favor to do so. Hence, loss is theoretically known, and therefore limited.

As in most things, knowing the right buzz words is half the battle.

Quantities will be denominated in contracts rather than bushels. In the futures, an order to "Buy 5 Nov Beans at the market" means buy 5,000 bushels. In a call option on a 5,000-bushel soybean futures contract, the form is "Buy 1 Nov [strike price] call at the market."

The only difference between the various markets handling ag options will be at the MidAmerican Exchange in Chicago, which trades wheat in 1,000-bushel contracts in the futures. Options on the wheat in the MidAm will be for five 1,000-bushel contracts. An order for 3 March on that exchange will give you 15,000 bushels of soft red winter wheat futures.

PRICE MOVEMENT AT A GLANCE

Cash Prices	Nov. 7, 1984	Year ago
Bran, K.C., ton	$ 84.00	$125.00
Broilers, dressed, N.Y., lb.	$ 0.5466	$ 0.5682
Coffee, Brazilian, N.Y., lb.	$ 1.37	$ 1.45
Sugar, cane, raw, world, lb.	$ 0.0485	$ 0.0877
Lard, Chicago, lb.	$ 0.3105	$ 0.20
Soybean oil, crude, Decatur, lb.	$ 0.3235	$ 0.2943

Source: NRN *Research*

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

McD tests prepackaged salads in Los Angeles, Columbus units

By Joe Edwards

OAK BROOK, Ill. — McDonald's is testing prepackaged, entrée-sized salads in restaurants in the Los Angeles and Columbus, Ohio, markets. In the 50 test units in Columbus, it also offers a smaller portion of the salad as a side dish.

Both salads contain romaine and iceberg lettuce, carrots, celery, mushrooms, radishes, cucumbers, grated hard-boiled eggs, cheese, tomatoes and a choice of five dressings: Thousand Island, blue cheese, French, low-calorie vinaigrette, and a ranch-style house dressing.

Over the past three years McDonald's has experimented with both salad bars and prepackaged salads in a small number of test units in Wisconsin and California. Last spring it began testing soup and salad combinations at 15 Chicago units.

Salad sales have not been strong enough to warrant expansion of tests or a rollout, spokesmen have said. Because of operational problems, including lack of control and higher costs, it is not likely that the chain will add salad bars.

Most of McDonald's competitors, including Burger King and Wendy's, have either salad bars or prepackaged salads. Burger King's salad bar, rolled out in July 1983, is capturing about 6% of unit sales.

Meanwhile McDonald's spokesmen have admitted that a new individual-sized pizza product has been developed by the chain. But McPizza "is still very much in the conceptual stage," a spokesman said.

What is on the front burner is a number of other test products. Commenting on the unusual number and variety of new menu items a couple of months ago, a spokesman explained the chain is moving test items into stores quickly instead of keeping them in the test kitchens. This does not mean the chain has changed its long-standing commitment to a limited menu, he asserted.

Among McDonald's new test menu items: a double cheeseburger in New York, Chicago and a couple of other markets; a bacon double cheeseburger in Green Bay and Wausau, Wis., and Bakersfield, Calif.; Chicken McSwiss in Tennessee; Cheddar Melt in Milwaukee and Indianapolis; Lettuce and Tomato Special in Shreveport, La.; new biscuit breakfast sandwiches in the South and new Sausage McMuffins in the West and North, and both biscuit and muffin sandwiches in the Boston and Denver areas.

"There are some breakfast items being tested in every store throughout the nation," the spokesman declared.

Chicken McSwiss is a piece of breaded boneless chicken served cordon bleu-style, with hickory smoked ham and a Swiss cheese spread on a roll. A Cheddar Melt is a $^1/_3$-lb. burger topped with melted Cheddar and grilled onions on a toasted rye bun. The Lettuce and Tomato Special is a Quarter Pounder with lettuce, tomato, mayonnaise, ketchup, mustard, onions and cheese.

Brock, Americana sign merger pact

IRVING, Tex. — Brock Hotel Corp. and Chicago-based Americana Hotels Corp. have signed a letter of agreement to combine their hotel properties in one company. No details were available at presstime.

Brock, a public company based here, is a Holiday Inn franchisee and also operates its own concepts, Park Suite Hotels and Brock Residence Inns. A Brock subsidiary operates the ShowBiz Pizza Place chain.

Americana Hotels is a closely held Chicago-based company that operates its own hotels under the Americana name as well as franchised Best Western, Hilton, Ramada and Rodeway Inn properties.

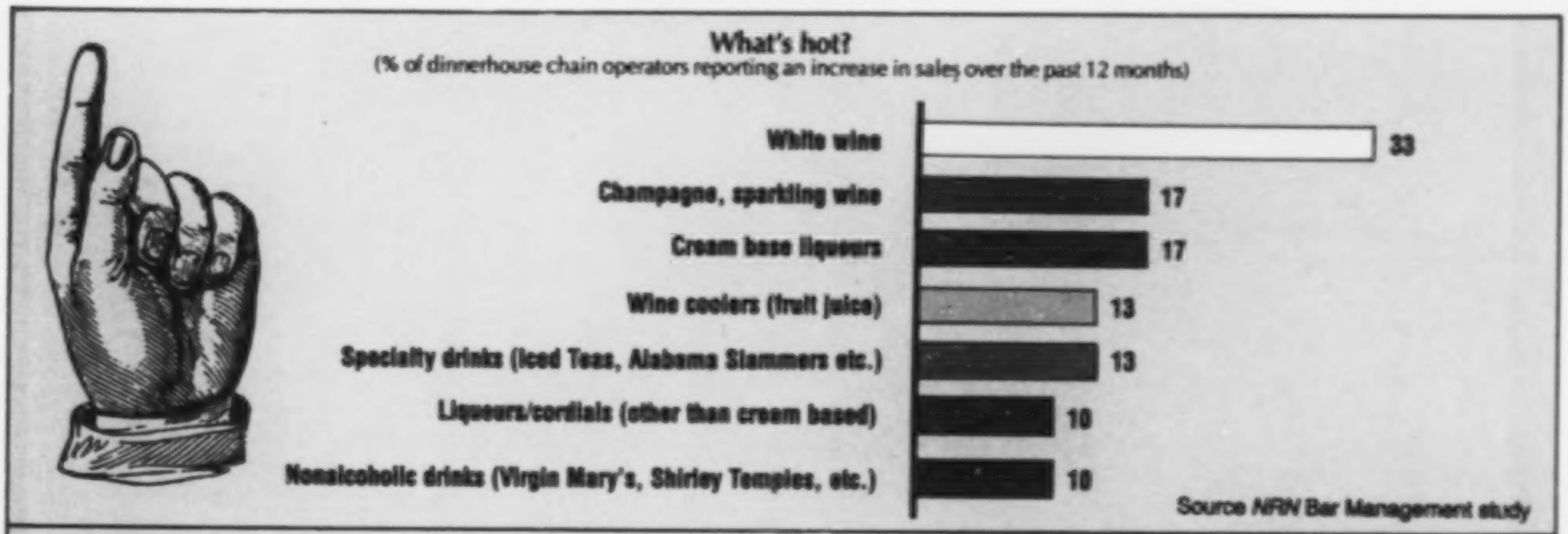
Meanwhile Brock said it expects to report an operating loss for the third quarter related to two divisions it plans to sell—Unique Concepts Corp. and its 50%-owned Park Suite. Brock also plans to take a substantial third-quarter write-off for the sale of Unique Concepts, the abandonment of certain development projects and the write-down of other assets.

In another development, chairman Robert Brock reports that recent tests of new high-technology features at a ShowBiz unit in North Richland Hills, Tex., contributed to an increase in one-week total revenues of $21,594.

Interactive Animation, according to Brock, is "a technical breakthrough," enabling a robot to talk with children.

Study: Drunk driving-produced drop in alcohol sales stable—but still there

A new NRN *bar management study details beverage trends at the country's dinnerhouse chain operations.*



What's hot?
(% of dinnerhouse chain operators reporting an increase in sales over the past 12 months)

Source *NRN* Bar Management study

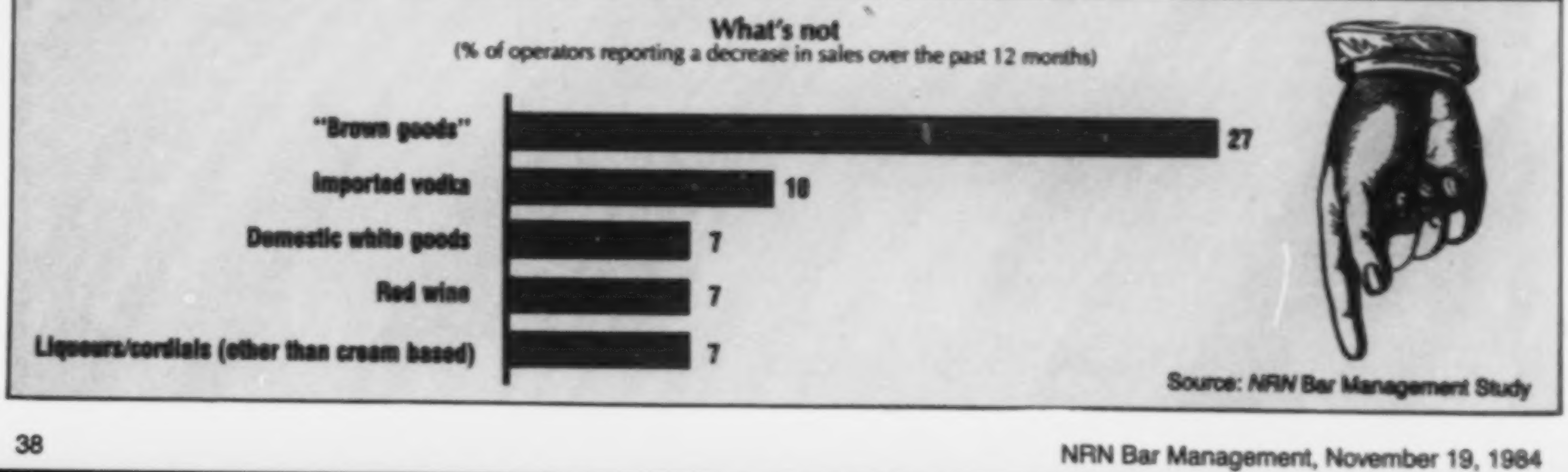
Slightly more than a quarter of the country's dinnerhouse chains have seen their alcoholic beverage sales drop slightly as a result of the heightened focus on drunk driving, a new *NRN* Bar Management Study shows. The average estimated decrease was 6.1%.

The good news, however, is that the number of chains that have suffered a decline has remained stable over the past nine months, even though public and governmental pressures against drunk driving and "irresponsible" liquor service at restaurants and taverns, is thought to have increased. An earlier *NRN* study late last winter showed the same percentage of dinnerhouse chains—27%—reporting a decline of liquor sales due to the DWI issue.

Meanwhile, three in five chains report some change in alcoholic beverage consumption patterns over the past year. For about one-half of all chains, the changes were welcome because they meant greater sales of particular beverages, most frequently of white wine and champagne. On the other hand, two in five noted a decrease, mostly in brown goods and imported vodka.

The study also found that:

- On the average, alcoholic beverages account for 28% of total annual dollar sales among dinnerhouse chains.
- Hard liquor accounts for 52% of alcohol sales; wine came in second with 25%, and beer generates 23% of sales.
- Hard liquor is the clear winner when it comes to the category that generates the highest gross profit margin; two-thirds of the food-service executives interviewed gave this category the nod. Only 13% picked wine, and a mere 3% mentioned beer. (17% said they didn't know or gave no answer.)
- Beverages carried most frequently include, in descending order, imported regular beer, domestic red wine, domestic rose wine, Irish whiskey, cordials, rye, aperitifs, imported white wine and sparkling wine/champagne.
- Imported light beer is offered at 17% of the study's respondents; 10% feature nonalcoholic beer.
- Aside from champagne and cream-based liqueurs, beverages that are enjoying increased sales at at least some of the dinnerhouse chains surveyed include wine coolers, specialty drinks such as Long Island Iced Tea, liqueurs/cordials other than

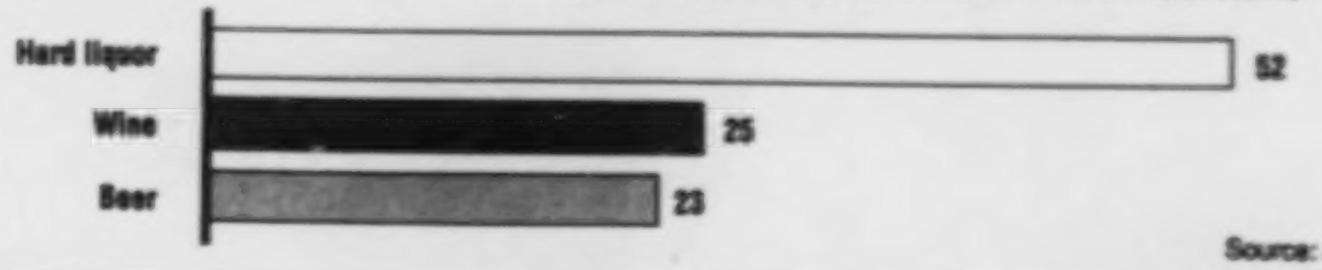


What's not
(% of operators reporting a decrease in sales over the past 12 months)

Source: *NRN* Bar Management Study

Liquor sales breakdown

(% of total/alcoholic beverage sales generated by hard liquor, wine and beer at dinnerhouse chains)



Source: *NRN* Bar Management Study

those that are cream based, and nonalcoholic drinks such as Virgin Mary's.

- All establishments serve wine by the glass; 90% also sell wine by the bottle, while three-fourths also make wine available by the carafe.
- "House" wines are offered at 93% of all establishments. In most cases (80%) the house wine is a domestic. The house wine is strictly an import at 10% of all chains. The rest offer both domestic and imported house wine.

On the drunk driving issue, the study found that about one-quarter of all dinnerhouse chains are responding with educational efforts for staffs and customers. Some said they're offering pamphlets or flyers warning against the dangers of drinking and driving; others advertise nonalcoholic drinks, or are telling their managers to call a cab for patrons who appear inebriated, or advise customers to stay overnight at a nearby hotel.

At least one operator said he has switched from a 2-for-1 promotion to a "per cent off" promo, believing that 2-for-1's encourage excessive liquor consumption.

A very small proportion of respondents also feels that changes in the consumption of specific alcoholic beverages is directly related to the heightened focus on drunk driving.

Conversely, 7% of the dinnerhouse operators blame heightened focus on drunk driving for decreases in sales of imported vodka, domestic white goods (vodka, gin and the like) and brown goods.

In all, 30 dinnerhouse chains were surveyed. On the average, respondents operated 11 units and had annual sales of $14 million.

All dinnerhouse chains surveyed feature domestic regular and light beers. All also carry domestic white wine, gin, vodka, tequila, scotch, bourbon, rum and Canadian whiskey. Other beverages carried include imported regular beer (carried by 97% of all chains surveyed); domestic red wine (97%); domestic rose (97%); Irish whiskey (93%); cordials (93%); rye (87%); aperitifs (87%); imported white wine (80%); sparkling wines/champagne (80%); imported red wine (73%), and imported rose (60%).

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FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Index shows slight gain in mixed trading

(Continued from page 71)

which owns Popeyes' fried chicken stores in New York, led the list in both price gain and volume surge.

Fast Food Operators added 38¢, to close at $1.13 per share. With 221,600 shares trading hands, 3.75% of all shares outstanding, Fast Food Operators' volume in the latest week was almost 287% higher than its weekly average volume for the past 12 weeks.

Brock Hotel slipped 13¢, to $4, on heavy volume. Brock revealed a plan to sell some of its hotel assets that would financially restructure the company, operator also of Show-Biz pizza-and-video game outlets.

Leading the price-losers list, Vicorp Restaurants, which said it closed a deal to take over 175 Sambo's restaurants, finished down $2.50, to $15.75, on lighter-than-average volume.

On the up side, Kapok Corp. gained 63¢, to close at $2.75. Chili's Inc., up a hefty $2.88, to $24.25. G. D. Ritzy's, up 25¢, to $2.63.

—Rick Telberg

NRN STOCK INDEX

0.5

VOLUME LEADERS

Company Name	The Week's Volume (100's)	Company Name	The Week's Volume (100's)
Fast Food Oper	2,216	Transworld	15,348
Brock Hotel Cp	5,619	Peoples Rest	8,656
So Hospitality	1,496	Ogden Corp	5,047
SIS Cp	111	Pancho Mex Buffet	378
Kapok Cp	888	PepsiCo Inc	21,312

TOP FIVE GAINERS

Company Name	The Week's Volume (100's)	Latest Closing Prices	% Price Change Last Week
Fast Food Oper	2,216	So Hospitality	1,496
Kapok Cp	888	Mr Steak	297
Chilis Inc	1,948	Sea Galley	1,154
Ritzys G D	669	Sandwich Chef	183
USACafes	473	Naugles Inc	1,118

TOP FIVE LOSERS

Company Name	The Week's Volume (100's)	Latest Closing Prices	% Price Change Last Week
Vicorp Restaurants	1,099	Assoc Hosts	1,311
Good Taco	360	Primo Inc	640
Calibre Cp	38	Garcias Scot	478
Collins Foods	1,017	Morrison Inc	2,302
Ch Full O Nut	365	Capt Crab Inc	1,892

	Stock Market											Financial Update																
	Price							Volume				P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date				
	11-09-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$
Food-Service Operators																												
A&M Food Svcs ..... O	3.88	.00	.0	4.25	3.88	8.75	3.88	67	.19	.45	- 57.8	11.1	.00	.0	NEW	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30
Acapulco Rest ..... O	4.25	- .13	- 2.9	4.38	4.25	6.50	3.88	98	.39	.44	- 11.4	NE	.00	.0	NEW	9 mos.	07-84	19.0	86.3	.0	- 100.0	.01	- 91.7	28.3	.7	.3	NE	.14
ARA Services ..... N	69.63	.50	.7	69.88	69.13	69.88	40.25	1,266	1.05	4.60	- 77.2	13.4	2.10	3.0	—	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19
Assoc Hosts ..... M	14.00	- 1.38	- 8.9	15.13	14.00	17.13	10.50	1,311	2.97	5.29	- 43.9	16.1	.12	.9	—	9 mos.	06-84	24.0	3.9	1.1	10.0	.23	4.5	71.1	9.0	3.0	30.4	.66
Beefsteak Char ..... A	2.88	.00	.0	2.88	2.75	5.00	2.63	213	.38	.56	- 32.1	2.2	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30
Bob Evans Farms ..... M	17.75	- .75	- 4.1	18.25	17.50	24.00	14.75	482	.29	.40	- 27.5	17.8	.30	1.7	—	3 mos.	07-84	54.0	14.2	4.4	7.3	.27	8.0	54.0	14.2	4.4	7.3	.27
Calibre Cp ..... O	3.75	- .50	- 11.8	4.25	3.75	9.00	3.25	38	.13	.20	- 35.0	NE	.00	.0	—	6 mos.	01-84	3.5	191.7	(.4)	- 100.0	(.14)	- 100.0	6.7	252.6	(.7)	- 100.0	(.23)
Calny Food ..... M	9.50	- .38	- 3.8	9.88	9.00	10.75	7.25	776	1.72	1.30	32.3	16.7	.16	1.7	NEW	6 mos.	08-84	13.0	19.3	.5	.0	.12	- 7.7	25.0	14.7	1.4	40.0	.31
Capt Crab Inc ..... M	1.88	- .13	- 6.3	2.00	1.75	6.63	1.63	1,892	1.66	2.57	- 35.4	NE	.00	.0	—	9 mos.	05-84	2.6	766.7	(.5)	NC	(.04)	NC	3.7	362.5	(.6)	NC	(.05)
Carrols Cp ..... N	9.63	.25	2.7	9.63	9.38	10.88	7.13	388	.50	.83	- 39.8	14.6	.05	.5	—	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28
Chi-Chi's ..... M	13.50	.00	.0	13.50	13.00	25.75	12.50	12,880	4.78	4.17	14.6	19.3	.00	.0	—	3 mos.	07-84	45.2	27.3	5.0	38.9	.19	26.7	45.2	27.3	5.0	38.9	.19
Chilis Inc ..... O	24.25	2.88	13.5	24.50	22.00	24.25	12.75	1,948	4.65	4.63	.4	NM	.00	.0	—	9 mos.	03-84	10.4	30.0	.4	- 20.0	.08	- 46.7	30.7	38.9	1.2	- 20.0	.31
Churchs Fr Ch ..... N	28.50	- .75	- 2.6	29.38	28.38	30.88	21.25	1,816	.97	2.18	- 55.5	14.8	.80	2.8	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49
Collins Foods ..... N	22.50	- 2.50	- 10.0	24.88	22.38	25.38	14.88	1,017	1.17	1.18	- .8	12.2	.24	1.1	—	3 mos.	07-84	115.1	24.3	4.8	23.1	.55	17.0	115.1	24.3	4.8	23.1	.55
Concept Dev ..... O	8.75	.00	.0	9.00	8.75	17.69	6.00	801	1.60	1.96	- 18.4	NM	.00a	.0	—	9 mos.	03-84	9.0	NC	.8	NC	.30	NC	27.6	NC	2.7	NC	.72
Consol Prdts ..... M	5.00	.00	.0	5.13	5.00	9.63	4.75	328	.88	.81	8.6	16.7	.00	.0	—	9 mos.	06-84	16.0	3.9	.3	- 40.0	.09	.0	51.4	6.4	.7	- 12.5	.19
Consul Restaurant ..... M	6.50	.00	.0	5.75	6.38	17.88	6.25	674	1.50	2.07	- 27.5	26.0	.00	.0	—	3 mos.	08-84	21.1	33.5	.0	- 100.0	.01	- 87.5	21.1	33.5	.0	- 100.0	.01
Cracker Barrel ..... M	14.25	.00	.0	14.25	13.75	23.50	13.75	1,321	4.72	5.26	- 10.3	15.3	.14	1.0	—	9 mos.	04-84	13.7	25.7	.6	50.0	.18	20.0	39.6	25.7	1.5	50.0	.52
Cucos Inc ..... O	4.00	.00	.0	4.50	4.00	5.00	3.50	11	.10	.36	- 72.2	21.1	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10
Denny's Inc ..... N	40.88	.00	.0	41.13	40.88	41.38	30.25	8,661	5.60	3.40	64.7	15.4	.72	1.8	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75
Diversifoods ..... M	11.75	- .75	- 6.0	12.13	11.50	19.13	10.50	19,712	5.88	10.11	- 41.8	12.0	.26	2.2	—	6 mos.	06-84	146.2	19.8	9.6	1.1	.28	- 3.4	271.9	17.8	15.2	.7	.45
Dunkin Donuts ..... M	23.75	- .13	- .5	24.38	23.63	26.25	18.13	494	1.04	1.03	1.0	13.0	.32	1.3	—	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44
El Chico ..... M	8.63	.13	1.5	8.75	8.63	14.75	7.75	1,671	3.59	2.13	68.5	10.8	.00	.0	—	3 mos.	08-84	21.1	9.9	.9	.0	.20	.0	21.1	9.9	.9	.0	.20
El Torito Rest ..... N	12.25	- .50	- 3.9	12.88	12.25	14.63	9.00	241	.22	.41	- 46.3	18.0	.00	.0	—	9 mos.	09-84	65.9	NC	4.1	NC	.35	NC	189.0	NC	9.0	NC	.78
Fast Food Oper ..... O	1.13	.38	50.0	1.25	0.88	2.75	.69	2,216	3.75	.97	286.6	18.8	.00	.0	—	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06
Flakey Jakes ..... O	7.88	.25	3.3	8.00	7.75	9.13	4.00	1,060	1.52	2.03	- 25.1	NE	.00	.0	—	6 mos.	06-84	1.8	NC	(.3)	NC	(.04)	NC	3.3	NC	(.4)	NC	(.06)
Frisch's ..... A	30.38	- .13	- .4	30.75	30.38	32.75	24.00	9	.04	.18	- 77.8	16.9	.40b	1.3	—	3 mos.	08-84	40.5	7.4	1.7	.0	.38	- 51.9	40.5	7.4	1.7	.0	.38
Fuddruckers Inc ..... M	12.50	.38	3.1	12.88	12.13	17.50	9.25	849	1.31	1.84	- 28.8	NM	.00	.0	—	6 mos.	06-84	5.4	NC	(.4)	NC	(.06)	NC	9.7	NC	(.6)	NC	(.09)
Garcias Scot ..... M	3.25	- .25	- 7.1	3.50	3.25	8.75	2.88	478	.80	1.25	- 36.0	NE	.00	.0	—	6 mos.	06-84	12.6	40.0	2	NE	.03	NE	29.7	57.1	.0	NE	.00
Good Taco ..... M	1.75	- .25	- 12.5	2.00	1.75	7.00	1.50	360	1.48	1.46	1.4	NE	.00	.0	NEW	3 mos.	05-84	.4	300.0	(.3)	NE	(.13)	NE	.4	300.0	(.3)	NE	(.13)
Hambrg Hamlet ..... O	12.00	.00	.0	12.75	12.00	12.00	9.50	6	.08	.13	- 38.5	10.3	.00	.0	NEW	fiscal	03-84	9.3	2.2	2	NE	.30	NE	35.5	4.4	.8	NE	1.16
Hungry Tiger ..... M	4.88	.13	2.6	5.00	4.63	9.00	4.25	441	1.56	1.11	40.5	27.1	.00	.0	NEW	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18
Intl Dairy Queen ..... O	40.50	.00	.0	42.00	40.50	40.50	32.50	17	.08	.33	- 75.8	12.5	.00	.0	NEW	6 mos.	05-84	37.9	8.3	32.5	1254.2	1.10	13.4	65.7	18.4	33.2	1085.7	1.42
Intl King Tab ..... M	16.00	- .50	- 3.0	16.50	16.00	18.63	11.38	804	2.83	2.14	32.2	12.6	.00a	.0	—	fiscal	06-84	18.8	20.5	1.0	11.1	.29	.0	78.2	56.4	3.8	58.3	1.27
JB's Rest ..... M	14.63	- .25	- 1.7	15.00	14.63	16.25	10.38	172	.75	1.48	- 49.3	13.2	.20	1.4	—	9 mos.	06-84	22.2	32.1	1.0	25.0	.42	20.0	48.7	23.0	1.9	26.7	.80
Jerrico Inc ..... M	18.25	.38	2.1	18.63	17.38	19.63	11.88	10,169	6.47	4.67	38.5	14.3	.12	.7	—	fiscal	06-84	126.6	9.7	6.9	7.8	.42	44.8	484.1	9.4	20.4	- 4.2	1.28
Kapok Cp ..... A	2.75	.63	29.4	2.75	2.00	5.88	1.13	888	3.96	1.87	111.8	NE	.00	.0	—	fiscal	09-83	3.4	88.9	(1.7)	NE	(.70)	NE	12.3	7.9	(2.7)	NE	(1.29)
Kelly-Johnston ..... M	3.13	.13	4.2	3.38	3.00	16.00	2.63	1,655	1.94	1.36	42.6	NE	.00	.0	—	3 mos.	06-84	30.6	175.7	(3.7)	- 100.0	(.44)	- 100.0	30.6	175.7	(3.7)	- 100.0	(.44)
Karcher Carl ..... M	15.75	- .25	- 1.6	16.25	15.50	39.50	14.75	1,752	2.48	3.11	- 20.3	10.2	.00	.0	—	9 mos.	10-83	70.6	26.5	2.7	22.7	.37	15.6	220.2	25.6	9.4	27.0	1.28
Luby's Cafe ..... N	30.25	.50	1.7	31.25	30.00	32.00	23.63	166	.14	.28	- 50.0	21.2	.54	1.8	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43
Marcus Corp ..... M	14.88	.13	.8	15.25	14.75	15.25	11.38	64	.12	.25	- 52.0	10.3	.28	1.9	—	fiscal	05-84	39.5	19.7	2.3	27.8	.44	25.7	126.7	16.3	7.4	12.1	1.44
Marriott Corp ..... N	76.25	- 2.13	- 2.7	78.50	75.63	80.25	58.50	1,258	.49	.72	- 31.9	16.9	.44	.6	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41
Maverick Rest ..... O	5.25	.00	.0	5.50	5.25	7.00	4.13	29	.06	.36	- 83.3	40.4	.00	.0	—	6 mos.	07-84	2.9	NC	.3	NC	.05	NC	5.3	NC	.5	NC	.10
McDonald's Cp ..... N	52.13	- .88	- 1.7	53.88	51.50	55.88	40.84	11,984	1.36	1.33	2.3	12.7	.82	1.6	—	6 mos.	06-84	864.9	13.7	108.6	13.0	1.22	14.0	1610.3	14.4	183.6	13.3	2.07
Morrison Inc ..... M	16.88	- 1.25	- 6.9	17.88	16.88	19.75	13.13	2,302	1.69	1.10	53.6	11.0	.48	2.8	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36
Mr Steak ..... O	1.63	.13	8.3	1.75	1.38	3.34	1.38	297	.62	1.26	- 50.8	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)
Nathans ..... O	2.38	.00	.0	2.63	2.38	2.97	1.78	40	.18	.51	- 64.7	9.1	.00a	.0	NEW	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18
Natl Pizza ..... O	8.00	.50	6.7	8.25	7.75	9.75	7.50	354	.65	.57	14.0	10.7	.00	.0	—	3 mos.	06-84	8.9	- 11.9	1.1	10.0	.19	- 17.4	8.9	- 11.9	1.1	10.0	.19
Naugles Inc ..... M	8.00	.50	6.7	8.38	7.38	20.25	7.00	1,118	2.41	2.29	5.2	NE	.00	.0	—	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)
1 Potato 2 ..... O	4.00	.00	.0	4.13	4.00	12.50	3.88	133	.61	1.78	- 65.7	80.0	.00	.0	—	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

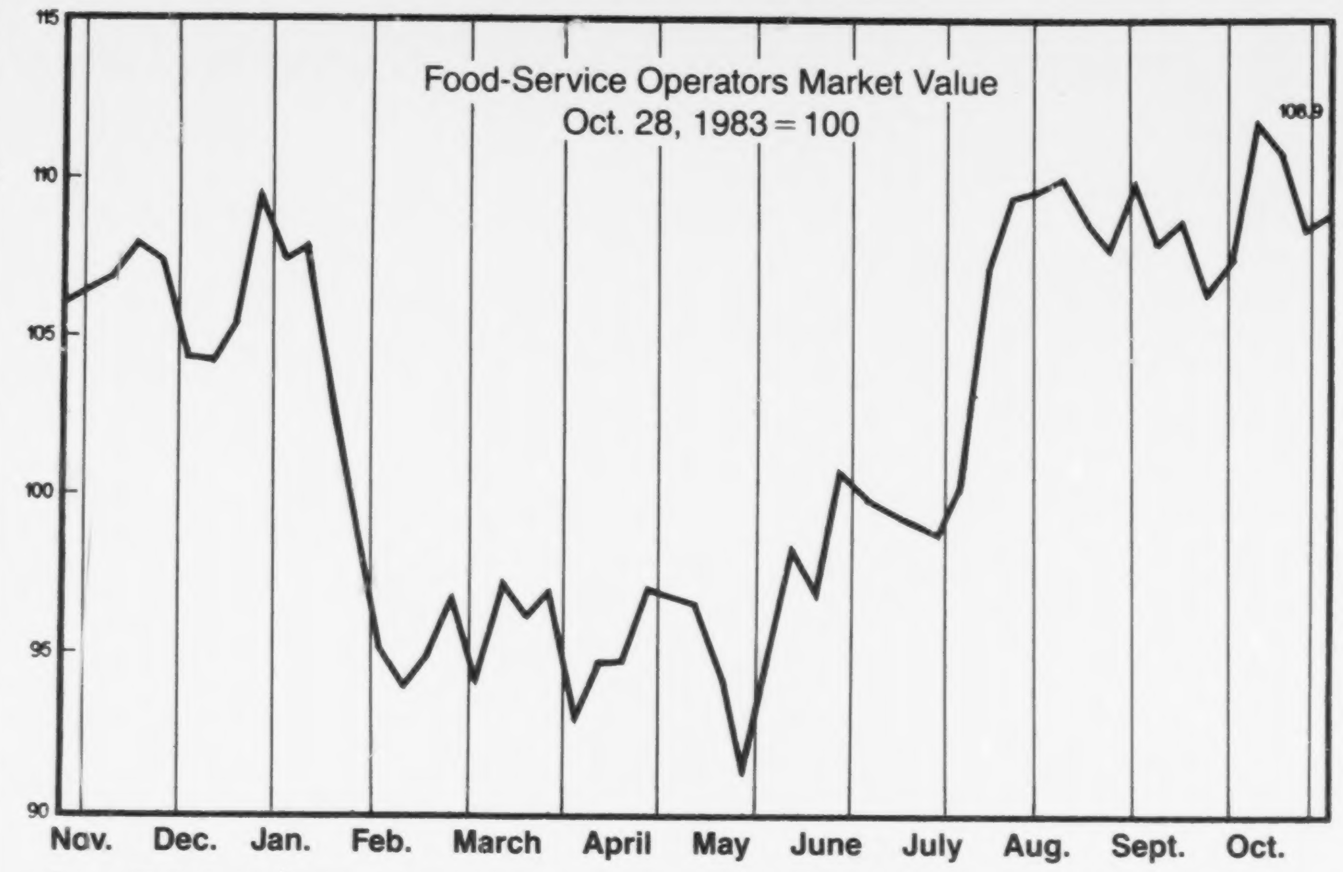
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

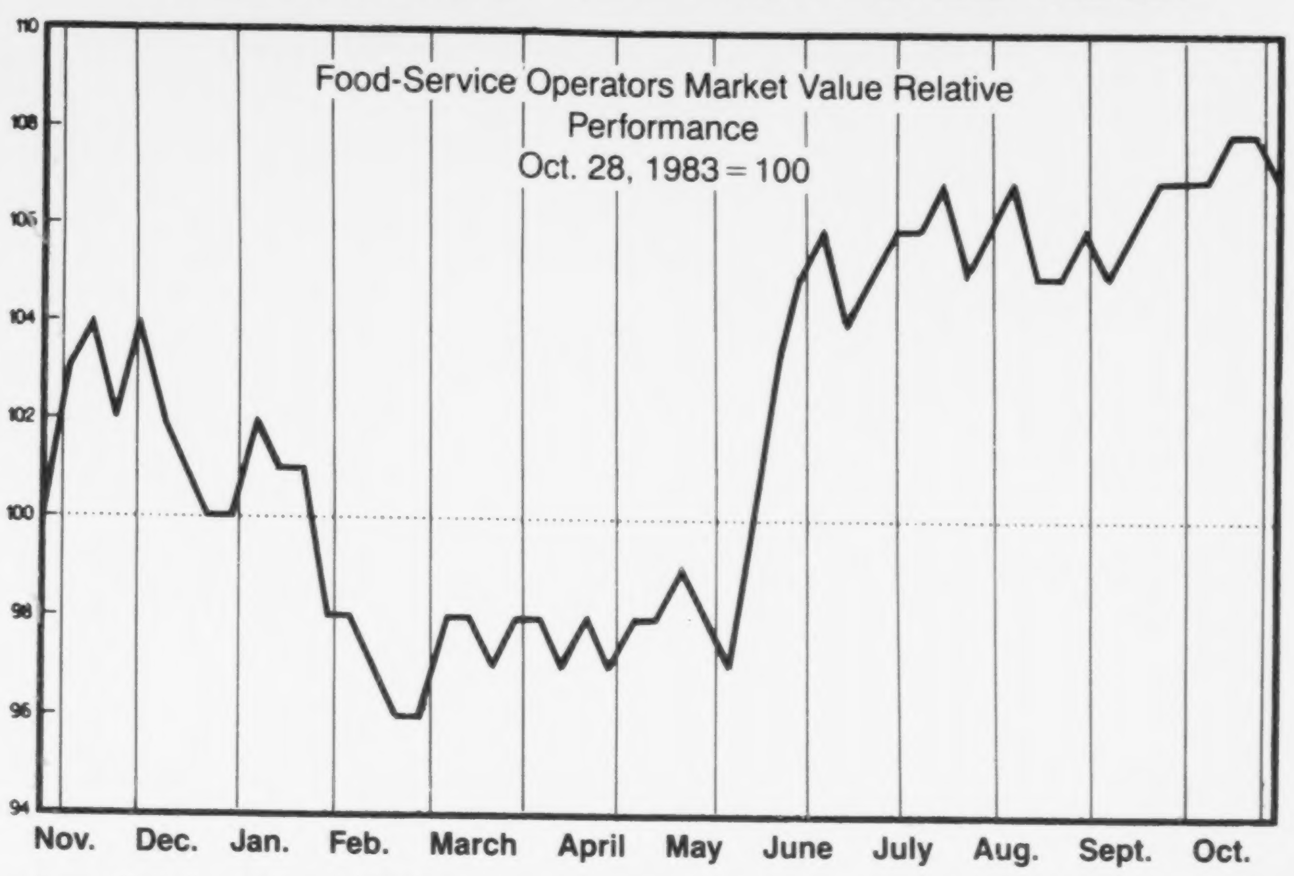
FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

NRN *STOCK INDEX*



Source: Media General Financial Services

NRN *STOCK INDEX VS. DOW JONES INDEX*



Source: Media General Financial Services

	Stock Market											Financial Update																
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date				
	11-09-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$
Old Fashion Fd ..... O	5.25	.00	.0	6.00	5.25	7.25	4.75	8	.07	.48	- 85.4	9.2	.00	.0	NEW	fiscal	05-84	3.4	30.8	.1	- 50.0	.13	- 40.9	11.3	18.9	.7	16.7	.57
Pancho Mex Buffet ..... M	7.13	.00	.0	7.38	7.00	8.00	5.88	378	1.33	.72	84.7	13.4	.13	1.8	.....	9 mos.	06-84	8.3	29.7	.4	33.3	.16	33.3	22.8	26.7	1.0	42.9	.36
Peoples Rest ..... M	1.00	.00	.0	1.13	0.88	8.88	.88	8,656	10.08	5.33	89.1	NE	.00	.0	.....	9 mos.	03-84	14.7	72.9	(2.1)	- 100.0	(.26)	- 100.0	44.7	148.3	(2.0)	- 100.0	(.24)
Piccadilly Caf ..... M	19.25	.75	4.1	19.50	18.38	24.25	13.13	900	1.49	.92	62.0	13.8	.60	3.1	.....	fiscal	06-84	45.4	16.4	2.5	177.8	.42	180.0	173.8	13.8	8.4	40.0	1.40
Pizza Inn ..... A	8.25	- .13	- 1.5	8.38	8.13	15.75	8.13	165	.54	1.19	- 54.6	8.1	.08	1.0	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81
Po-Folks ..... M	12.13	- .25	- 2.0	12.38	11.75	16.63	10.25	380	.86	1.19	- 27.7	19.2	.00	.0	.....	9 mos.	06-84	29.3	53.4	1.4	180.0	.29	123.1	75.8	56.3	2.3	155.6	.52
Ponderosa Sys ..... N	15.38	- .38	- 2.4	16.50	15.25	24.88	15.00	2,410	2.51	3.27	- 23.2	9.5	.40	2.6	.....	6 mos.	08-84	125.3	34.4	4.7	2.2	.51	- 12.1	244.0	31.1	9.2	21.1	1.06
Primo Inc ..... O	3.88	- .38	- 8.8	4.25	3.88	7.00	2.38	640	2.31	1.59	45.3	35.2	.00	.0	.....	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06
Rax Restaurants ..... M	11.75	- .75	- 6.0	12.25	11.50	21.50	11.75	548	.98	.97	1.0	18.7	.00	.0	.....	3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23
Rest Assoc ..... A	8.13	.13	1.6	8.25	7.75	9.50	6.50	211	.79	.58	36.2	10.2	.00	.0	NEW	6 mos.	06-84	32.8	- 8.6	.6	.0	.21	- 12.5	62.8	- 9.0	.6	- 14.3	.21
Restaurant Sys ..... M	12.25	- .25	- 2.0	12.75	12.25	14.25	9.00	80	.35	.55	- 36.4	15.3	.00	.0	.....	6 mos.	06-84	8.5	34.9	.5	66.7	.22	29.4	19.3	30.4	1.0	66.7	.43
Ritzys G D ..... M	2.63	.25	10.5	3.00	2.38	10.25	2.25	669	1.28	.78	64.1	NE	.00	.0	.....	6 mos.	06-84	3.4	NC	(.5)	- 100.0	(.08)	- 100.0	6.2	NC	(1.1)	NC	(.20)
Rusty Pelican ..... M	18.00	.75	4.3	18.13	17.13	18.13	11.38	817	3.59	2.97	20.9	31.0	.00	.0	.....	6 mos.	01-84	7.6	22.6	.4	100.0	.15	15.4	15.3	15.0	.6	50.0	.28
Ryans Fam Steak ..... M	19.25	.25	1.3	19.75	19.00	25.25	15.50	1,063	2.47	1.71	44.4	27.9	.00	.0	.....	9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53
Saga Corp ..... N	33.50	- .13	- .4	33.88	32.63	35.50	24.63	1,690	1.30	1.09	19.3	13.6	.44	1.3	.....	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42
Sandwich Chef ..... O	8.00	.50	6.7	8.50	7.75	11.75	6.75	183	1.42	1.00	42.0	14.5	.00	.0	.....	fiscal	06-84	6.7	17.5	.2	- 33.3	.17	- 15.0	25.6	26.7	.7	- 22.2	.55
Sea Galley ..... M	8.38	.63	8.1	8.38	7.75	11.63	7.13	1,154	2.94	4.25	- 30.8	9.6	.00	.0	.....	6 mos.	06-84	15.0	- 49.3	.9	NE	.23	NE	32.6	- 29.3	2.3	NE	.59
Shoney's Inc ..... M	32.88	- .63	- 1.9	33.00	32.88	35.13	20.00	2,070	1.00	1.07	- 6.5	23.8	.16	.5	.....	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06
Shoney's South ..... M	15.00	.50	3.4	15.00	14.50	16.59	11.00	103	.18	1.32	- 86.4	12.7	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00
SIS Cp ..... M	4.75	.25	5.6	5.25	4.50	10.75	4.50	111	.72	.32	125.0	33.9	.00	.0	.....	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14
Sizzler Rest Intl ..... M	16.75	- .25	- 1.5	17.25	16.25	18.75	8.75	483	.71	1.39	- 48.9	16.1	.00	.0	.....	9 mos.	01-84	33.3	11.4	1.6	14.3	.22	15.8	104.6	8.7	5.5	31.0	.80
Skippers ..... M	9.63	- .13	- 1.3	9.88	9.63	11.50	8.00	240	.88	1.11	- 20.7	12.2	.06	.6	.....	6 mos.	06-84	14.4	23.1	.6	.0	.22	- 8.3	27.8	25.2	1.1	10.0	.42
So Hospitality ..... M	4.63	.38	8.8	4.63	4.13	5.13	3.75	1,496	3.13	1.39	125.2	14.0	.00	.0	.....	fiscal	05-84	10.1	32.9	.7	75.0	.15	15.4	35.7	35.7	1.5	50.0	.33
Taco Viva ..... M	7.75	- .25	- 3.1	8.00	7.25	10.75	7.00	189	.83	.71	16.9	18.0	.00	.0	NEW	9 mos.	02-84	5.8	38.1	.4	33.3	.17	30.8	16.2	44.6	.8	14.3	.36
TGI Friday's ..... N	9.38	- .25	- 2.6	9.75	9.00	17.88	8.63	1,004	.88	.82	7.3	13.8	.00	.0	.....	6 mos.	06-84	71.2	22.1	3.4	17.2	.18	.0	136.5	22.8	6.5	25.0	.35
TGIF Texas ..... O	2.38	.00	.0	2.75	2.38	7.50	2.25	16	.11	.24	- 54.2	NE	.00	.0	NEW	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)
Transworld ..... N	32.00	.88	2.8	32.50	31.00	33.53	23.63	15,348	5.45	2.79	95.3	5.0	.40	1.3	.....	6 mos.	06-84	504.2	8.6	29.9	85.7	.80	1900.0	967.7	8.6	49.2	113.9	1.27
USACafes ..... M	4.00	.38	10.3	4.13	3.63	5.00	2.75	473	.93	.62	50.0	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants ..... M	15.75	- 2.50	- 13.7	17.75	15.63	22.00	14.50	1,099	1.66	2.47	- 32.8	13.5	.12	.8	.....	9 mos.	07-84	68.4	129.5	2.7	68.8	.41	46.4	157.4	170.4	5.8	100.0	.87
Victoria Stations ..... M	3.38	.13	3.8	3.38	3.13	9.63	3.00	3,250	9.72	8.19	18.7	NE	.00	.0	.....	9 mos.	12-83	29.9	- 9.9	(1.9)	NE	(.58)	NE	77.6	- 9.3	(3.6)	NE	(1.09)
Wendys Intl ..... N	17.38	- 1.00	- 5.4	18.63	17.13	20.50	13.13	7,846	1.44	1.17	23.1	15.0	.24	1.4	.....	6 mos.	06-84	240.4	37.4	19.3	35.9	.35	40.0	445.9	35.8	32.3	32.9	.59
Wstn Steer ..... O	11.00	.25	2.3	11.75	10.75	13.25	9.00	52	.43	.80	- 46.3	12.0	.20	1.8	.....	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33
Winners Cp ..... N	6.50	- .25	- 3.7	6.75	5.88	16.25	5.88	966	2.21	1.78	24.2	13.3	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30
Hotels, Motels, and Casinos																												
Am Motor Inns ..... A	21.25	.25	1.2	21.50	21.00	21.75	12.50	49	.04	2.39	- 98.3	13.4	.16	.8	.....	fiscal	07-84	52.8	17.1	5.9	25.5	.51	- 38.6	201.1	23.8	18.4	32.4	1.59
Brock Hotel Cp ..... N	4.00	- .13	- 3.0	5.13	4.00	7.63	3.63	5,619	4.26	1.13	277.0	28.6	.10	2.5	NEW	6 mos.	06-84	74.8	- 4.6	(1.2)	NE	.14	NE	151.0	- 2.1	(3.8)	NE	(.05)
Hilton Hotels ..... N	54.50	- .75	- 1.4	55.38	54.00	59.50	45.50	2,854	1.09	1.39	- 21.6	21.8	1.80	3.3	.....	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56
Holiday Inns ..... N	42.13	1.13	2.7	43.13	40.88	54.75	35.25	6,537	1.83	2.37	- 22.8	12.3	.90	2.1	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00
Prime Mtr Inn ..... N	23.25	- .13	- .5	23.50	22.75	25.50	16.00	266	.18	.59	- 69.5	19.4	.12	.5	.....	fiscal	06-84	28.1	96.5	4.6	27.8	.32	14.3	96.0	92.0	17.3	36.2	1.20
Ramada Inns ..... N	6.13	- .25	- 3.9	6.38	6.00	11.63	5.63	6,207	1.67	2.98	- 44.0	9.7	.00	.0	.....	6 mos.	06-84	147.9	1.6	.5	NE	.01	NE	291.7	5.7	.8	NE	.02
Servico Inc ..... M	19.25	- 1.25	- 6.1	20.00	19.25	24.50	13.50	49	.16	.45	- 64.4	13.2	.00a	.0	.....	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.60	- 11.8	90.2	24.8	2.8	47.4	.89
Sonesta Intl ..... O	18.50	.00	.0	20.50	18.50	18.50	16.50	2	.01	.05	- 80.0	NE	.30	1.6	NEW	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)
Other Companies with Food-Service Operations																												
Allegheny Bev ..... M	17.63	- .88	- 4.7	18.50	17.38	20.00	13.50	964	1.61	2.09	- 23.0	11.3	.80	4.5	.....	6 mos.	06-84	166.1	26.3	3.0	11.1	.46	9.5	318.8	21.2	4.7	- 13.0	.72
Ch Full O Nut ..... N	8.75	- .88	- 9.1	9.75	8.63	14.56	8.38	365	.82	.51	60.8	24.3	.48	5.5	NEW	9 mos.	04-84	28.7	- .7	.4	- 55.6	.10	- 50.0	86.9	3.6	1.3	- 50.0	.28
Disney, Walt ..... N	58.25	1.63	2.9	58.75	56.25	68.50	45.25	4,144	1.23	4.44	- 72.3	19.1	1.20	2.1	.....	9 mos.	06-84	544.5	51.9	54.4	153.0	1.45	137.7	1192.8	26.3	85.7	24.7	2.35
Esteban Foods ..... O	2.00	- .13	- 5.9	2.13	2.00	4.75	1.63	264	1.13	1.23	- 8.1	NM	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)
Gen Mills ..... N	54.25	1.25	2.4	55.13	52.88	60.00	41.63	4,609	1.02	.86	18.6	11.6	2.24	4.1	.....	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20
Horn & Hardart ..... A	9.38	- .50	- 5.1	10.13	9.13	24.75	9.13	2,243	1.81	2.32	- 22.0	8.1	.00a	.0	.....	6 mos.	06-84	93.7	6.4	3.7	8.8	.31	24.0	180.1	13.4	6.1	22.0	.49
Ogden Corp ..... N	26.25	.88	3.4	26.38	25.25	32.50	24.13	5,047	2.66	1.41	88.7	11.9	1.80	6.9	.....	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63
PepsiCo Inc ..... N	45.25	1.00	2.3	45.75	43.50	45.75	34.50	21,312	2.27	1.24	83.1	13.2	1.68	3.7	.....	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61
Pillsbury Co ..... N	43.75	.88	2.0	44.25	42.63	44.38	33.00	1,795	.41	.81	- 49.4	10.9	1.56	3.6	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90
Vie de France ..... O	12.75	.13	1.0	13.13	12.75	15.25	10.50	654	.60	.50	20.0	27.1	.23	1.8	.....	fiscal	06-83	NC	NC	NC	NC	NC	NC	43.1	52.3	4.3	87.0	.47

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

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NRN *study: Nonalcoholic beverage sales rising* —Pages F1-F8

A look behind the scenes at the Culinary Olympics —Pages F10-F14

Industry agonizes over restaurant critics' power —Page F17

Nation's
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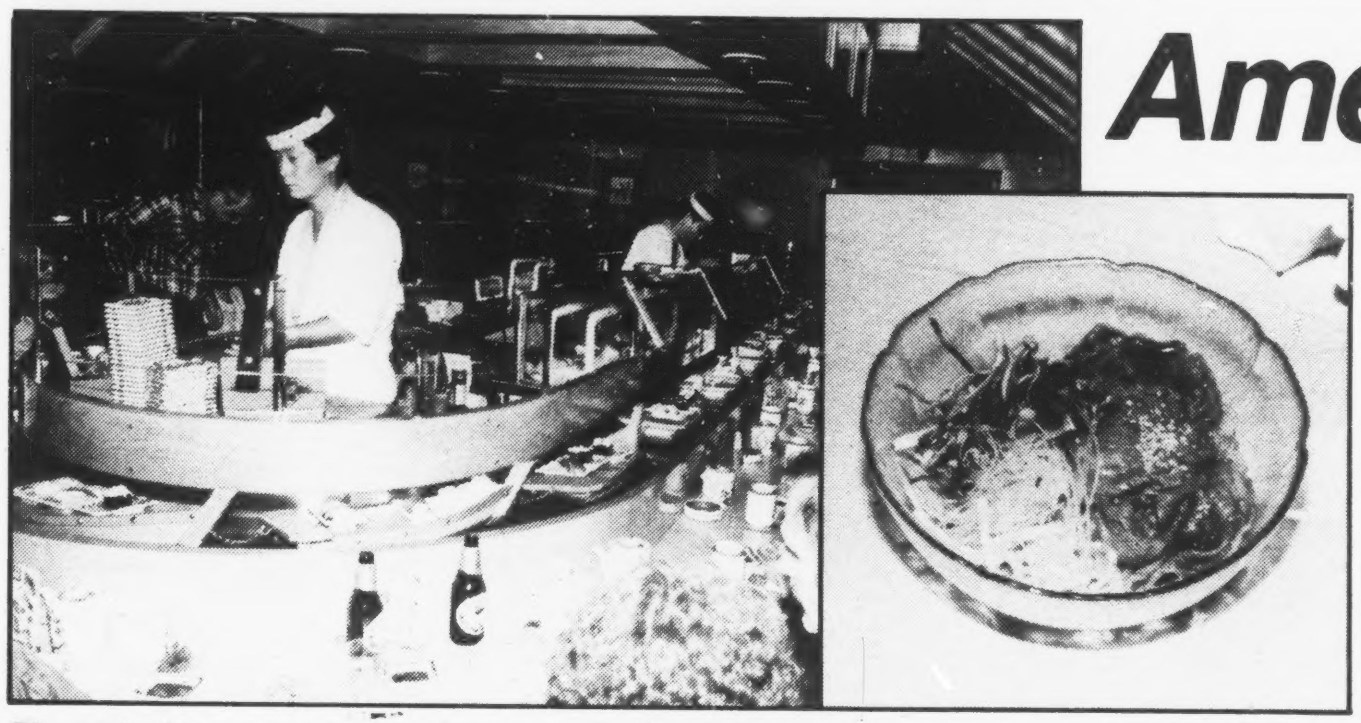

Upscale Japanese restaurants, once found only in the centers of large United States cities, are today spreading through the Northeast and the Sunbelt.

America turns Japanese

Sushi becomes a status symbol

By Marilee Hartley

Once an obscure segment of the food-service industry catering primarily to Japanese residents and travelers, Japanese restaurants today are inundating the larger cities in California and the Northeast and are trickling into the heartland, especially the Sunbelt.

Their popularity is growing with the tide of American infatuation with all things Japanese—from flower arranging to high-tech electronics. In upscale circles, Japanese food—and in particular sushi—is even becoming a culinary status symbol associated with sophistication and low-cholesterol nutrition.

"Interest in Japanese cuisine has blossomed in the last few years, especially among young-to-middle-aged business travelers," says Wayne Johnson, manager of Fuji-Ya, a 25-year-old Minneapolis restaurant that serves traditional Japanese dishes, including sushi.

(see ***JAPAN****, page 94)*

Battistone acquires Shari's coffee shops

NRN **Special Report**

SALT LAKE CITY — Sam D. Battistone, the son of Sambo's cofounder and twice Sambo's president, plans a return to food service through his company's proposed acquisition of the 33-unit Shari's coffee shop chain, based in Portland, Ore.

Shari's, featuring founder and chairman Ron Bergquist's patented hexagonal building design, has grown explosively from its inception in 1979 to current annual sales of about $30 million from its 24-hour chain operating in seven Pacific Northwest and Western Mountain states.

Battistone, president of StratAmerica Corp., disclosed the signing of a letter of intent with the restaurant chain's parent company, Shari's Management Corp., at his company's annual shareholders meeting here. StratAmerica, formerly Strata-Tek

(see ***SHARI'S****, page 94)*

Le Mondrian general manager Herbert Spiegel and executive chef Michel Saragueta.

All-suite food: New directions

By Richard Martin
West Coast Editor

WEST HOLLYWOOD, Calif. — While operators entering the growing all-suite hotel segment scramble to concoct food-and-beverage concepts for their hostelries—or eschew in-house restaurants altogether—the L'Ermitage hotel group has taken a different step in its trendsetting evolution.

Noted for its private, guests-only restaurants, the L'Ermitage group is looking to broaden its success in the local high-end market, which helped make it a model for luxury, all-suite hotel dining, by giving nonresident

(see ***SUITE****, page 94)*

INSIDE *NRN*

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Chains keeping longer hours

Study: Fast feeders are opening earlier, closing later

By Charles Forman

NEW YORK — Television ads that portray a late-night snacker in pajamas and a bathrobe swinging open the refrigerator door in a darkened kitchen are undoubtedly getting close attention from fast-food executives.

Almost one-third of all fast-food chains keep their restaurants open longer hours than they did two years ago, while another 20% are planning longer hours for the near future.

These surprising figures came to light during a recent survey of the hours that chain restaurants are open to the public, conducted by *Nation's Restaurant News* Research. The survey was done as part of a study on the food-service beverage market reported on in this issue.

While some increase in overall operating hours might have been expected as a result of breakfast rollouts at such chains as Wendy's, Arby's and Burger King, the survey revealed as many respondents reporting new hours in the evening as in the morning.

Chain executives, asked to comment, said the findings were confirmed by what was happening in their own companies.

Several reasons were commonly given for the increased hours of operation, including:

- the spread of fast-food units to central-city and superhighway locations, where longer hours are feasible;
- the now almost universal use of drive-thrus at new

(see ***CHAINS****, page 94)*

NO SOLICITATION
BURGER KING
HOURS
MONDAY - THURSDAY 7:00 AM - 1:00 AM
FRIDAY - SATURDAY
SUNDAY 7:00 AM - 1:00 AM
FREE Magic Show
WHEN:
TIME:
WHERE: BURGER KING
EVERYONE IS WELCOME!!

This Burger King on heavily trafficked Northern Boulevard in Flushing, N.Y., is open nearly 18 hours a day every day.

N.J. operators fear liquor-liability insurance crunch

By Don Jeffrey

CONVENT STATION, N.J. — New Jersey restaurateurs and tavern owners, facing the threat of costly third-party liquor-liability lawsuits, are finding it increasingly difficult to take out insurance policies or to pay the escalating premiums.

In addition, these businessmen report their liquor business is declining in the wake of the state's vigorous—and, they say, overzealous—enforcement of laws regarding driving after having had too much to drink.

These were some of the more alarming observations made during the New Jersey Restaurant Association's first CARE seminar, held at the Madison Hotel here this month. CARE—an acronym for Consume Alcohol in Responsible Establishments—is a program set up to educate restaurateurs and other commercial servers of alcohol on current laws, trends and ways to deal with the new realities of public drinking.

Joseph Vozza, the association's insurance consultant, said restaurateurs face "a serious crunch" concerning liability insurance. He said several insurance companies are refusing to write new liquor-liability policies while others are increasing premiums 100% to 150%.

Donald Berlin, an attorney, estimated about 30% of the establishments serving liquor in New Jersey carry no liability insurance because they cannot afford the premiums.

The crisis mounted when the state's Supreme Court ruled this year that the host of a party at which alcohol was served could become a third-party defendant in a case in which one of his guests was involved in a personal-injury accident.

New Jersey has no third-party law—also known as the dramshop law—regarding

(Continued on page 12)

Participating in the New Jersey Restaurant Association's first CARE seminar, held at the Madison Hotel in Convent Station, were (from left) Donald Berlin, a New Jersey attorney; Joseph Vozza, the association's insurance consultant, and James Schaefer, director of alcohol abuse programs at the University of Minnesota.

COMMODITIES

Beef prices edge up; pork supplies adequate

***NRN* Special Report**

Beef prices have begun edging up—a natural condition for this time of year—but higher carcass prices to producers may herald the long delayed beef-price hike that agricultural economists have been predicting since early this year. Traditionally, beef prices edge up with the arrival of cold weather.

Prolonged drought in the main Southwest cattle producing areas, particularly in Texas, has reduced the amount of cattle available since producers have been selling off stock to cut herd size. Increases in the amount paid for steers and feeder cattle may mean more sales, thereby cutting the future supply even more. On the bright side, however, high carcass prices, combined with low feed costs, generally encourage producers to increase herd size.

Another potential for higher beef prices is the amount of corn and other feed grains locked up in Federal storage and not available to feeders. This, combined with increased grain purchased by the Soviet Union and China, could spell higher feed prices ahead. The full amount of acreage of winter grain was not planted this year because of heavy rains in the North Central growing areas, thus pushing prices higher still.

(Continued on page 12)

PRICE MOVEMENT AT A GLANCE

	Nov. 12, 1983	Oct. 12, 1984	Nov. 12, 1984
Beef, Choice, 700-900 lb., Midwest (lb.)	$ 0.90	$ 0.92	$ 0.98
Broilers, Grade A dressed, icepack, NYC (lb.)	$ 0.5721	$ 0.5373	$ 0.5621
Coffee, green beans, Brazilian, NYC (lb.)	$ 1.46	$ 1.40	$ 1.37
Eggs, Grade A, large white, Chicago (doz.)	$ 0.88	$ 0.63-$0.65	$ 0.71-$0.73
Hams, canned, large (11-12 lb.), Polish (lb.)	$ 1.56-$1.60	$ 1.67	$ 1.64-$1.67
Lettuce, iceberg, Calif. (24s)	$ 7-$10	$ 7-$9	$ 3-$3.50
Mushrooms, No. 1 Pieces & Stems, Pa. (6/10)	$37	$36-$38	$31
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$ 0.74	$ 0.88	$ 0.87
Raisins, Select, Thompson Seedless, California bulk (lb.)	$ 0.85-$0.89	$ 0.57-$0.60	$ 0.55-$0.58
Sweet potatoes, Fancy Cut, La. (6/10)	$15	$13	$13.75

Source: NRN Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

BK reignites battle of the burgers

By Ken Frydman

MIAMI — Just when you thought a truce had been called in the Battle of the Burgers, another shot has been fired.

Burger King, which launched the Battle of the Burgers broiling-vs.-frying fight two years ago, has returned to humorous comparative advertising with a series of network television commercials supporting its line of double burgers. The $20 million campaign, being broadcast in selected spot markets, is comprised of four separate commercials.

The spots, promoting Burger King's double hamburger, double cheeseburger and bacon double cheeseburger sandwiches, concludes with the tag line, "You'll never have to eat a fried Quarter Pounder again." The line is a reference to Burger King's continuing claim that it flame-broils its burgers while competitors McDonald's and Wendy's fry theirs.

"Our goal in putting these spots on the air is to communicate that Burger King offers a full line of quarter-pound hamburgers that provide a flame-broiled alternative to the fried quarter-pound hamburgers served by our competition," said Don Dempsey, Burger King Corp.'s senior vice president and director of marketing.

The campaign, developed by J. Walter Thompson and Uniworld, premiered on network TV Nov. 19 and will run through December.

The move by Burger King to revive the Battle of the Burgers indicates the increasing intensity of competition in the diversifying burger segment. The burger category of yesteryear—McDonald's Big Mac and Burger King's Whopper—has evolved to include so-called big "gourmet" burger offerings from Flakey Jake's, Fuddruckers and Carl Karcher.

Another solid reason for resurrecting the Battle of the Burgers is the tremendous sales growth Burger King experienced during the two-year run of the first comparative advertising war. "We hope to do as well from 'Battle of the Burgers II' as we did from 'Battle of the Burgers I,'" Dempsey said.

Master chef Kobayashi is dead at 44

SAN FRANCISCO — Masataka Kobayashi, the nationally famed chef of Masa's restaurant in the Vintage Court hotel here, was found dead in his apartment. Kobayashi (known as Masa) was 44.

The Japanese-born, Paris-trained Kobayashi rocketed to celebrity-chef status by establishing the success of Le Plaisir restaurant in New York City. He then left Le Plaisir, which closed its doors forever, to become chef at Auberge du Soleil in the Napa Valley, north of San Francisco.

Last year he opened Masa's to overwhelmingly favorable critical notices, building an immediate following that kept the 14-table restaurant solidly booked weeks in advance. Sous chef Bill Galloway has assumed head chef duties and will try to preserve Kobayashi's innovative French stylings.

The cause of Kobayashi's death is still under investigation at presstime.

NRA predicts fifth straight growth year

By Rick Telberg

NEW YORK — Predicting a continuing economic recovery, the National Restaurant Association says in its latest annual forecast that total food-service industry sales will rise an inflation-adjusted 3.2% next year, to $178 billion.

"It will be the industry's fifth consecutive year of sales growth and the third consecutive year of strong sales growth," Harris Machus, NRA chairman and president, said at a New York press conference held to unveil the forecast.

"But the increase in consumer expenditures for food away from home will not be as marked as in 1984," Machus said, noting that the nation's economic growth has slowed.

The trade association's 1985 projection of 3.2% real growth would follow a hefty 4.2% gain in 1984 and a 3.8% advance in 1983. The $178 billion is 8.2% over 1984's level.

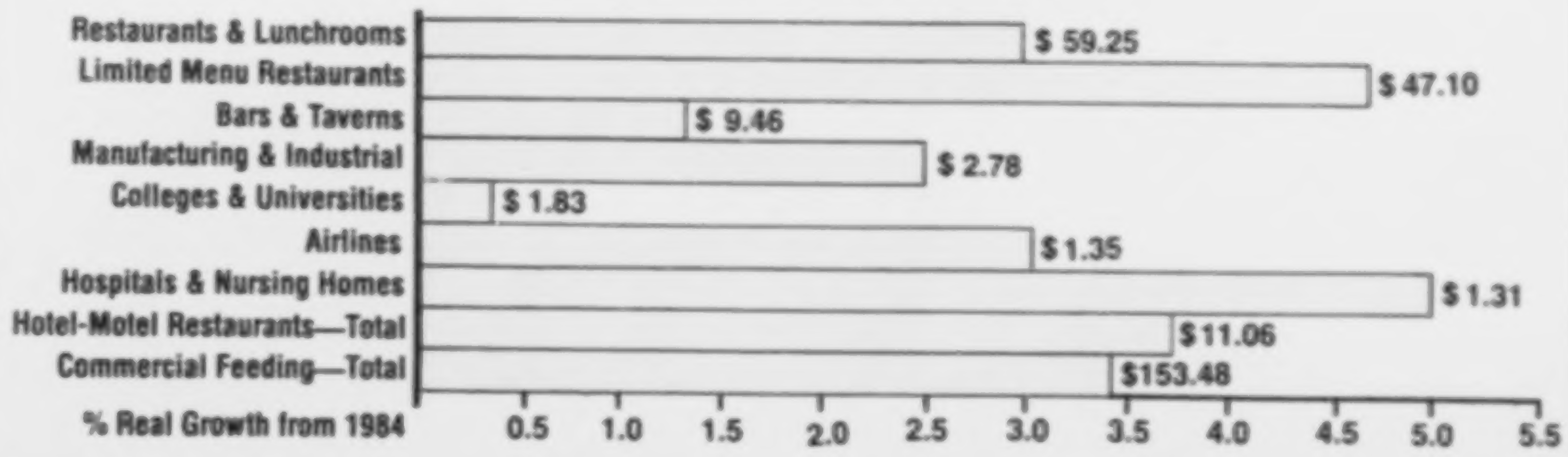
The industry's performance next year, which tends to parallel overall economic trends, will be marked by continued strength among fast-food outlets and staleness in bars and taverns, the NRA indicated.

Self-operated elementary

(Continued on page 14)

1985 COMMERCIAL FEEDING SALES

(Selected Data, Sales in $Billions)



NRA forecasts 3.2% growth in '85 food-service sales

(Continued from page 3)

schools, high schools, colleges and universities and community centers are the only places where the NRA envisions real declines.

Expecting discount fares to boost airline traffic, the report says airline feeding will lead all others next year, with a 5.9% real growth rate to $10.8 billion.

The forecast generally hews to consensus estimates for national economic performance next year.

The NRA foresees real gross national product growth of 3.5%, down from 7% this year, consumer price inflation of 5%, up from 4.3%, and real disposable income of 3.5%, down from 6.5%. The NRA projects menu price inflation in 1985 of 4.9%.

Blue Chip Economic Indicators, of Phoenix, Ariz., which tracks the opinions of four dozen leading economists, projects in its latest report that real GNP growth in 1985 will be 3.3%, consumer price inflation will be 4.6% and real disposable income will be 3.4%.

Sales at commercial outlets, which account for about 87% of the industry, will reach $153.5 billion in 1985, a $12 billion gain, or 3.4% real growth, the NRA said.

Institutional feeders, the places that run their own operations, will show real growth of 1.3%, to $23.5 billion, next year, according to the NRA.

In the broad eating-place category, which makes up two-thirds of the industry's sales, 3.7% real growth will push volume to $112.3 billion.

Fast-food restaurants will lead the eating-place advance, with real growth of 4.7% and sales of $47.1 billion in 109,000 outlets.

The nation's 123,000 full-service restaurants and lunchrooms will lag, with a 3% real growth rate, adding up to 1985 sales of $59.2 billion.

Bars and taverns, hurt by a trend away from heavy drinking, will eke out a 1.3% real growth rate, to $9.5 billion.

Contracts feeders will gross $9.7 billion next year, a 2.7% real growth rate. Airlines, hospitals and nursing homes will lead the way.

Restaurants in hotels and motels will ring up $11.1 billion, a 3.7% real growth rate.

1985 INSTITUTIONAL FEEDING SALES

(Selected Data for Self-Operated Feeders)

	Sales (Billions)	Real Growth From 1984
Hospitals	$ 9.05	1.5%
Colleges & Universities	3.56	−0.3
Nursing Homes, Asylums	3.22	1.7
Elementary Schools	2.64	−0.5
Employee Cafeterias	2.09	2.0
Clubs, Camps	1.75	3.1
Institutional Feeding Total	23.57	1.3

Source: National Restaurant Association

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U.S. NEWS & WORLD REPORT, Aug. 1, 1983

Why Pentagon Pays $44 for a Light Bulb

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FOOD SERVICE PRODUCTS

Machus cites key trends fueling growth

NEW YORK — In his remarks accompanying the National Restaurant Association's 1985 economic forecast, chairman and president Harris Machus noted what he called some of the most important industry trends.

"Several factors," Machus said, "beyond a healthy national economy are contributing to the sustained strong growth in the food-service industry."

He cited:

- Ministores: Chains are building down-sized restaurants that serve only take-out to fit in vest-pocket spaces. Machus named McDonald's and Church's as examples.
- Nontraditional sites: Chains are opening outlets on military bases and in schools, retail stores and government buildings and on toll highways.
- Take-out: Full-service restaurants are seeking to boost sales by offering the convenience of "gourmet" foods and full meals, bakeries and delicatessens.
- Ethnic foods: Nachos, tacos, pasta and sashimi are appearing on many typical American menus.
- Upscaling: So-called gourmet and build-your-own-burger concepts are examples of the industry's attempt to appeal to older, richer and more sophisticated consumers.
- Mergers and acquisitions: Companies are diversifying into new markets by buying established operators and are reducing expansion costs by converting existing restaurants to new operations.
- Nutrition: Restaurateurs are writing menus with calorie counts, nutritional information, low-salt dishes and fewer fried items.
- Breakfast: Traffic at the morning meal has increased 57% in seven years, while total industry counts have advanced 10%.

West South Central region to bloom in '85

NEW YORK — The four-state area of Texas, Oklahoma, Arkansas and Louisiana will show the fastest growth rate for the food-service industry in 1985, according to a regional breakdown of the National Restaurant Association.

The four-state region dubbed West South Central will outstrip the national 8.6% nominal growth rate with 10.8% growth.

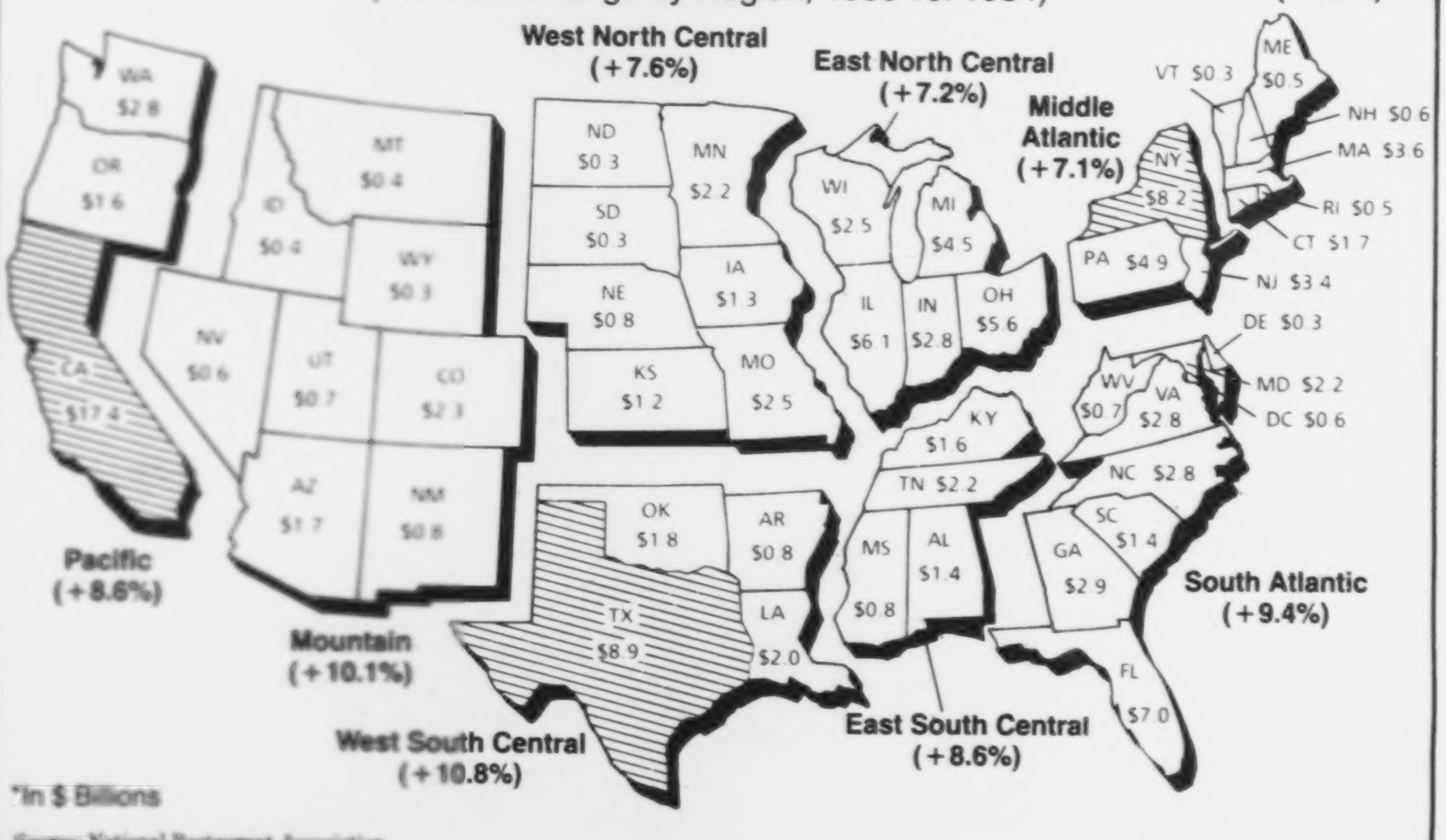
Other regions outperforming the nation as a whole will be, according to the NRA: the Mountain States, with 10.1% nominal growth, and New England, with 9%.

Matching the national average are: East South Central and Pacific States.

Underperformers: Middle Atlantic, 7.1%; East North Central, 7.2%; West North Central, 7.6%.

1985 RESTAURANT SALES

(Per Cent Change by Region, 1985 vs. 1984)



*In $ Billions

Source: National Restaurant Association

FOCUS NRN

COVER STORY

NONALCOHOLIC BEVERAGE SALES RISE

By Charles Forman

It's the era of the Big Gulp. It's the heyday of big brand names. It's a time for sugar-free soft drinks, brewed decaffeinated coffee and 100% fruit juices.

It's the age of marketing, too. As consumer beverage preferences shift, often in response to broader social shifts, food-service operators are letting others—notably supermarkets—create popular nonalcoholic beverage choices. Operators are fixing their attention on the marketing tools that will build unit sales and profits.

The news, for the most part, is good. With a few small exceptions, nonalcoholic beverage sales at food-service establishments are on the rise.

Nation's Restaurant News has just completed a study of beverage sales at the leading chain restaurants in the fast-food, dinnerhouse and family restaurant categories. The results of this study, which make up the backbone of this section, highlight the great gains over the last year in food-service sales of almost every important beverage category.

Plausibly driving some of these gains is a definite shift in demand to larger and larger drink sizes.

"Consumers want to go larger," exulted Charles Hawkins, marketing director at 835-unit Winchell's Donut Houses, the La Mirada, Calif.-based Denny's subsidiary.

Winchell's is now finding 15% of its soft-drink sales in a new 32-oz. size with a 90¢ regular price. Hawkins speculated that growth of super-size drink sales at the doughnut shops might relate to Winchell's mostly male, blue-collar clientele.

But Denver-based Vicorp's executive vice president for family restaurants (Village Inn and Baker's Square) Leon Irons dismissed such hedging with the flat observation that "people in general are going to larger drinks."

Dunkin' Donuts, the Randolph, Mass., owner and franchisor of about 1,300 doughnut houses, has added to its coffee offerings a new 10-oz. counter size (54¢ recommended) and a 14-oz. take-out size (67¢ recommended), a marketing executive said.

McDonald's is reportedly testing several larger juice sizes, including a 12-oz. container.

Pizza Inn, with more than 700 fast-food pizza restaurants in the Southwest, has, like Winchell's, joined the Big Gulp (so named after 7-Eleven's super-size soft-drink offering) phenomenon, with a 32-oz. soft-drink size selling for a dime more than the 20-oz. size.

Fast-food chicken giant KFC is working on its own version of larger sizes, testing free and nominal-price pour-your-own refills in numerous stores, Scott Conner, marketing and development vice president, disclosed.

Also helping to build beverage sales has been rapid consumer acceptance of the segmentation of traditional beverage categories by manufacturers, along with food stores' undeniable success in marketing the swelling number of new drink types.

But food stores' success with caffeine-free and sugar-free diet colas and noncola soft drinks, with ground decaffeinated coffee, with iced tea mixes, with new varieties of fruit-flavored drinks, with fruit juices and all the rest doesn't automatically translate into food-service sales.

"First of all," observed Pizza Inn marketing and advertising vice president Gene Eskew, "it's totally different for us."

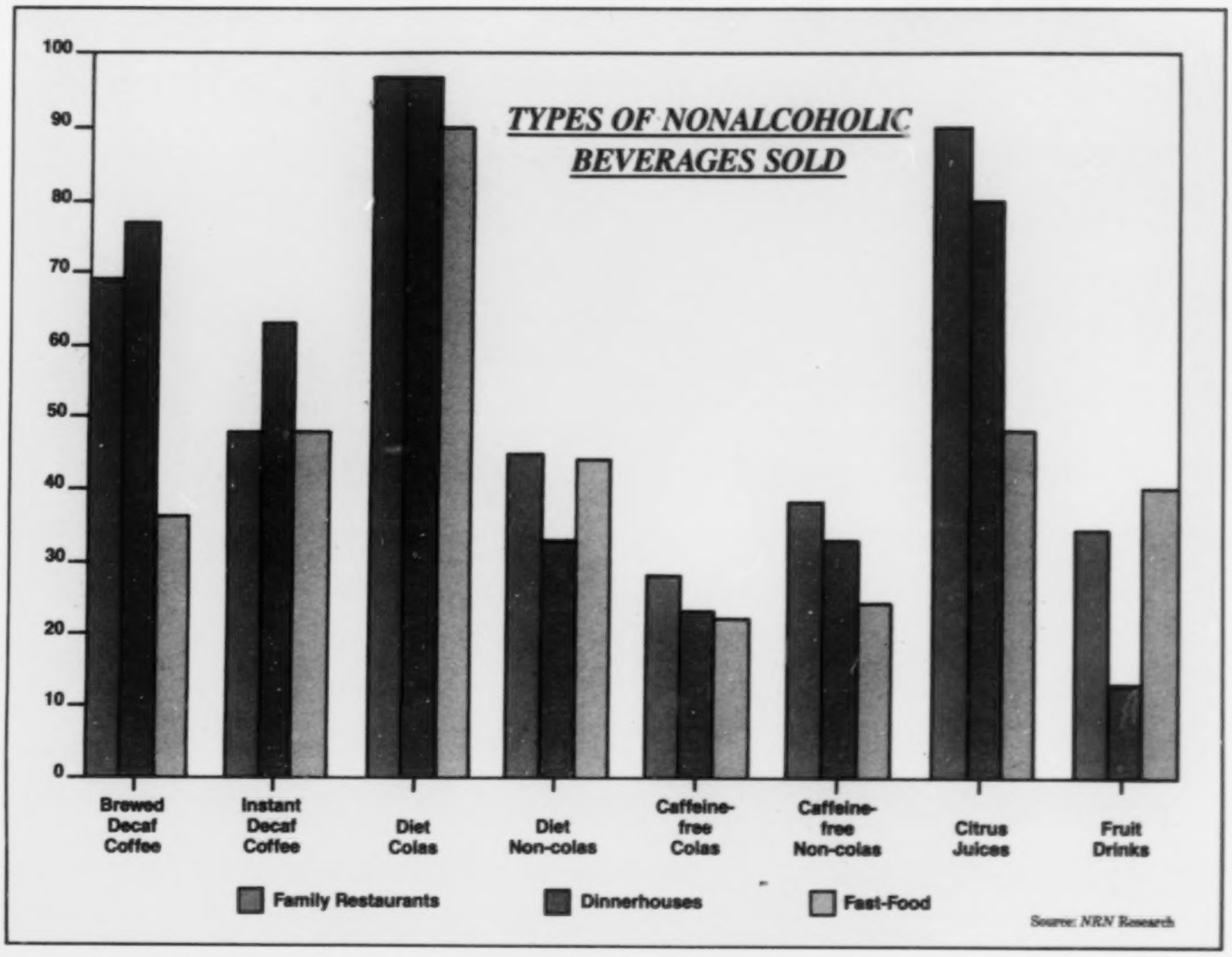
Grocery stores, Eskew noted, especially today's 40,000-sq.-ft. superstores, can feature seemingly endless aisles packed with "every conceivable type of bottle and can."

Restaurants, though many can be counted exceptions, offer primarily fountain drinks. Fast-food restaurants in particular may have only four to six fountain heads, depending on unit size.

Typically, Denny's family restaurants have just a four-headed fountain, said marketing vice president Barry Kranz.

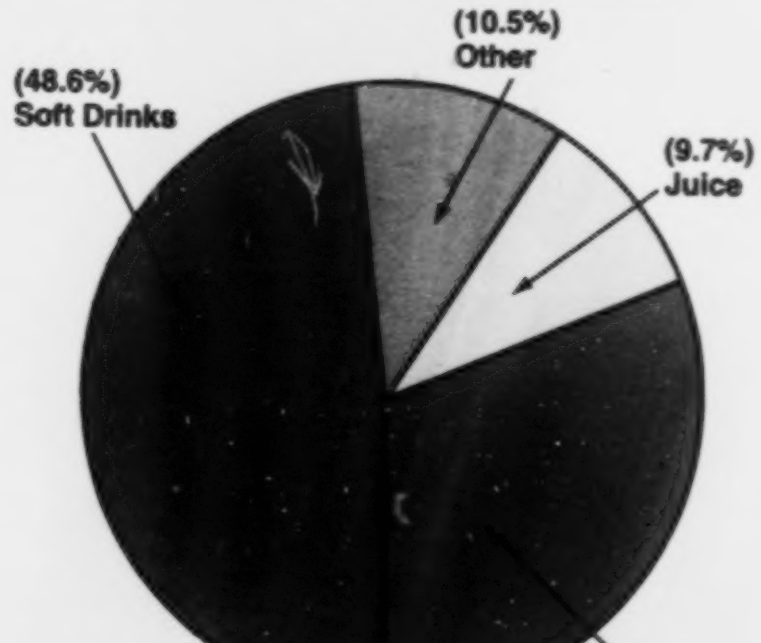
That makes choices critical to opera-

(Continued on page 5)

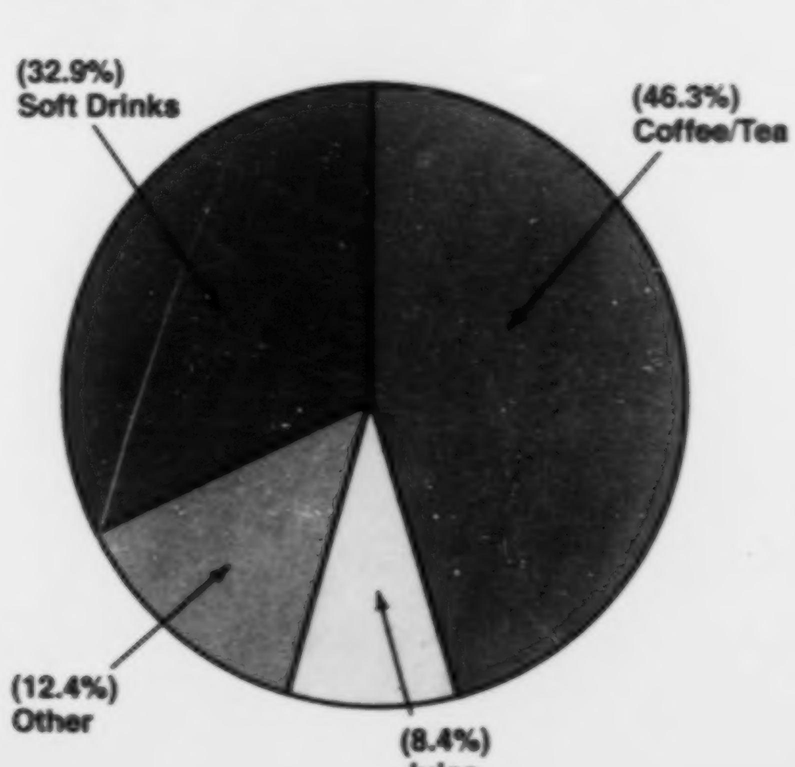

TYPES OF NONALCOHOLIC BEVERAGES SOLD

Source: NRN Research

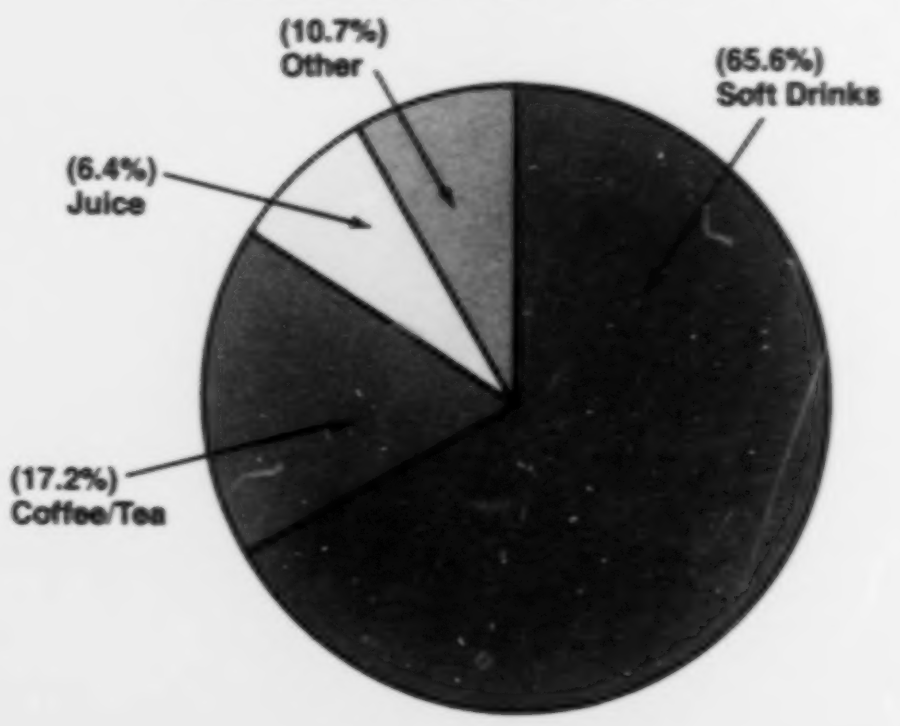
Dinnerhouse Beverage Sales



Family Restaurant Beverage Sales



Fast-Food Beverage Sales



Source: NRN Research

NRN *research reports: Nonalcoholic beverage sales rising*

(Continued from page 3)

tors. As an unsurprising consequence, the fountain heads go to the big brand names. When the biggest brand name enters categories it hasn't been in before (for example, with a diet cola), a lot of switching can be expected to occur.

But operators still face that finite limit to the changes they can make, and they're well aware of this. "We couldn't afford to take both a diet cola and a caffeine-free one," KFC's Conner said.

"When the four heads are gone, that's it," said Kranz, noting, however, that Denny's has substituted a caffeine-free cola choice for a diet cola.

Winchell's Hawkins observed further that "for grocery stores and gas stations the take-out drink business is incremental."

For operators it can be the heart of their affairs. Beverage sales at Winchell's units run up to 25% of total sales. At KFC stores they may hit 20%. At Dunkin' Donuts, with its heavy—and growing—coffee sales, all beverages will account for anywhere from 25% to 35% of unit sales, depending on region.

But operators will switch to exploit demand rather than fight today's trends if the numbers look right, as the *NRN* study leaves little doubt they are in many readily identifiable categories.

For many, the story of the year is turning out to be the soaring popularity of brewed decaffeinated coffee.

Vicorp executive Irons called growing demand for brewed decaf "the single biggest thing happening in nonalcoholic beverages at the food-service level."

Irons said that 75% to 80% of Vicorp patrons ordered coffee of some sort. Before brewed decaf was offered, he said, between 1.5% and 2% of Village Inn and Baker's Square patrons asked for powdered decaf in a packet.

"Now 30% [of the coffee drinkers] order brewed decaf," Irons said.

Brewed decaf has been in all 1,900 Denny's for about a year, Kranz said, echoing Irons' enthusiasm for the product.

Both Winchell's and Dunkin' Donuts, which serve regular decaf, are testing fresh-brewed. Pizza Inn is serving it in units that do a "good sit-down dinner business," Eskew said.

The *NRN* study showed unit sales for brewed decaf increasing most noticeably in family restaurant/coffee shops but also substantially in dinnerhouse chains and even at fast-food chains.

Brewed decaf is available in about two-thirds of the family restaurants polled, three-quarters of the dinnerhouses and one-third of the fast feeders.

It was the most frequently cited recent addition to beverage menus, and, among those not already offering it, an additional 17% said they planned to add it in the next year.

Another item of considerable interest has to be the growing sales of citrus juices at fast-food (and other) establishments. Besides sugar-free and caffeine-free soft drinks, citrus juices were the most popular recent menu addition among the fast-food group.

No doubt this has something to do with the quick expansion of breakfast service to large chunks of the fast-food universe over the last year.

But other influences (healthfulness and image) are evident in comments like Charles Hawkins' that "people want real juice, apple and orange and all the rest."

Winchell's is serving them, too, in portioned containers from a well-known brand supplier.

Kranz put the only damper on the natural juice phenomenon, reporting growing sales, but warning, "How long it will last, I don't know."

It's fair, nonetheless, to say that a lot of operator excitement is accompanying the big shifts under way in the nonalcoholic beverage market. At the same time it's only accurate to note that as much operator attention appears to be going to the marketing end—how to move product—as to the what's-hot-and-what's-not aspect.

Some are turning to their own research, instead of relying simply on information furnished by manufacturers. "We're doing top-of-mind brand awareness and concept tests," for potential beverage additions, Hawkins reported

KFC, which has gotten its market information primarily from its main supplier, now expects to tap R. J. Reynolds' sources in addition, Conner said.

Service personnel are conscientious

(Continued on page 7)

Fruit drinks like the one above are an ever (and increasingly) popular nonalcoholic drink.

Beverage sales breakdown: chains

Nonalcoholic beverages account for about 14% of total annual dollar volume at chain restaurants. (The breakdown is 17% at fast-food places, 14% at family restaurant/coffee shops, 10% at dinnerhouses.)

- For the year thus far, unit sales of nonalcoholic beverages of virtually all types have increased compared to the previous 12 months; a few items are stuck at 1983 unit sales levels.
- Most noticeable unit sales gains (for beverages served at least 12 months) are for sugar-free and caffeine-free soft drinks, brewed decaffeinated coffee, iced tea and noncarbonated fruit-flavored drinks.
- Brewed decaffeinated coffee is the most frequently cited recent beverage menu addition.
- Among fast-food chains the most common recent beverage additions are sugar-free and caffeine-free soft drinks and citrus juices.
- Typically, the chain establishments surveyed are open 12 to 14 hours a day. But about one-third of the fast-food operations polled say they have increased hours of operation over the past two years.

'. . . operators will switch to exploit demand rather than fight today's trends.'

TYPES OF BEVERAGES RECENTLY ADDED TO MENU

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Brewed Decaffeinated Coffee	17	27	4
Sugar-Free Diet Colas	3		12
Caffeine-Free Colas	7	3	2
Regular Non-Cola Soft Drinks			8
Citrus Juices (Orange, Grapefruit, etc.)	3		6
Herbal Tea	10		
Sugar-Free/Diet Non-Cola Soft Drinks	3		2
Caffeine-Free Non-Cola Soft Drinks	3		2
Other Fruit Juices	3		2
Hot Chocolate	3		2

Source: *Nation's Restaurant News* Research

EXPECTED ADDITIONS TO BEVERAGE SELECTION IN NEXT YEAR

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Caffeine-Free Soft Drinks	13		9
Brewed Decaffeinated Coffee	11	29	16

Source: *Nation's Restaurant News* Research

NRN *study shows nonalcoholic beverage sales climbing*

(Continued from page 5)

beverage salesmen at Vicorp, Irons noted. The company, he said, has suggestive selling contests for its servers to promote sales of larger sizes. Awards and prices are given.

Denny's merchandises drinks occasionally with table tents but more often engages in suggestive selling, Kranz said. The favored technique is waitress buttons, bearing a promotional message.

Dunkin' Donuts became well-known for its premium travel mug and thermos of coffee promotions, which it began in 1981 and 1982, respectively. The thermos of coffee premium, priced at about $4.99, will be available again next year.

Notably, drink promotions have taken on a certain urgency at concepts and in segments where take-out is a big part of business.

While the *NRN* study found no conclusive evidence that convenience stores (the bogeymen for many) have been stealing fast-food beverage sales, operator concern is justifiably strong. Not a few say they're looking for ways to smooth their operations with some oil on this squeaky wheel.

Pizza Inn's Eskew laid out the parameters of the problem. "Ninety per cent of our dining customers buy a beverage. Ten per cent of our take-out customers do. But 35% of our overall business is take-out. So it's absolutely critical for us to boost take-out beverage sales."

After taking note of take-out customer complaints that melting ice diluted their soft drinks, Pizza Inn is offering to-go patrons soft drinks in bottles and cans in some units, Eskew said. But that answer is only partial, he indicated, although the strategy's a definite sales booster; in many units storage space for crates of soda is nonexistent.

"People in general," notes one top executive, "are going toward larger drinks"—and nonalcoholic ones.

*MEAN PER CENT BEVERAGE SALES COMING FROM SELECTED CATEGORIES**

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Soft Drinks	33.4	49.4	68.5
Coffee/Tea	46.9	31.7	18.0
Juice	8.5	9.9	6.7
Other Beverages	12.6	10.7	11.2

*Means do not add to 100%, because averages are based only on those that serve selected beverages.

Source: *Nation's Restaurant News* Research

NET PERCENTAGE REPORTING AN INCREASE IN BEVERAGE SALES FOR SELECTED CATEGORIES OVER PAST 12 MONTHS

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Soft Drink Colas			
Regular Cola	+17	+11	+ 22
Sugar-Free/Diet Cola	+56	+52	+ 62
Caffeine-Free Cola	+50	+80	+ 60
Non-Cola Carbonated Soft Drinks			
Regular Non-Cola	+13	+24	+ 15
Sugar-Free/Diet Non-Cola	+58	+50	+ 38
Caffeine-Free Non-Cola	+30	+30	+ 36
Coffee/Tea			
Brewed Regular	+18		+ 2
Brewed Decaffeinated	+47	+36	+ 19
Instant Decaffeinated	−14	+12	
Iced Coffee	+ 8		−100
Tea	+ 3	+10	+ 10
Iced Tea	+44	+36	+ 22
Juice			
Citrus Juices (Orange, Grapefruit, etc.)	+16	+19	+ 14
Other Fruit Juices	+ 6	+25	+ 15
Other Beverages			
Milk	+ 4	− 4	+ 14
Noncarbonated Fruit-Flavored Drinks	+20		+ 35
Hot Chocolate	− 5	+ 6	+ 9

Source: *Nation's Restaurant News* Research

TYPES OF NONALCOHOLIC BEVERAGES SOLD

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Soft Drink Colas			
Regular Colas	96	100	96
Sugar-Free/Diet Colas	97	97	90
Caffeine-Free Colas	28	23	22
Non-Cola Carbonated Soft Drinks			
Regular Non-Cola Soft Drinks	79	90	94
Sugar-Free/Diet Non-Cola Soft Drinks	45	33	44
Caffeine-Free Non-Cola Soft Drinks	38	33	24
Coffee/Tea			
Brewed Regular Coffee	100	100	94
Iced tea	97	97	76
Tea	97	100	64
Brewed Decaffeinated Coffee	69	77	36
Instant Decaffeinated Coffee	48	63	48
Iced Coffee	41	47	2
Juice			
Citrus Juices (Orange, Grapefruit, etc.)	90	80	48
Other Fruit Juices	62	57	16
Other			
Milk	90	97	86
Noncarbonated Fruit-Flavored Drinks	34	13	40

Source: *Nation's Restaurant News* Research

CHANGING HOURS OF OPERATIONS

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Change over Past Two Years			
Increased	3	7	32
Remained the same	83	87	66
Decreased	14	3	2
No answer		3	
Anticipated Change in Hours			
Increase	17	10	20
Remained the same	83	83	78
Decrease		7	2

Source: *Nation's Restaurant News* Research

FOCUS | NRN

Decaffeinated beverages make big gain in industry

If thinking current beverage trends brings to mind a heady aroma of brewed decaffeinated coffee, you're in good—at least plentiful—company.

Brewed decaf is without doubt the story of the year in terms of chain food-service sales of nonalcoholic beverages.

This beverage-from-the-laboratory has quickly staked out a secure place on menus in every major segment and is swiftly building a considerable following.

Nation's Restaurant News' recent broad-based study of nonalcoholic beverage trends at major chain segments found brewed decaf already on the menu at 69% of family restaurants, 77% of dinnerhouses and 36% of fast-food restaurants polled.

Its addition is reported as "recent" at 17% of the family restaurants, 27% of the dinnerhouses and 4% of the fast-food restaurants that took part in the study.

What's more, a greater number will add brewed decaf to their menus in the next year than will add any other beverage.

Twenty-nine per cent of dinnerhouses, 16% of fast-food operators and 11% of family restaurants all told *NRN* researchers they expected to put brewed decaffeinated coffee on their menus within the next 12 months.

The only other beverage category eliciting a remotely similar response was caffeine-free soft drinks. Thirteen per cent more family restaurants and 9% more fast-food operators than serve no-caffeine soft drinks now expect to have them on the menu within the next 12 months.

These and other significant findings reported in the current study tend to confirm broad-based changes in the overall beverage market highlighted in other recent data compiled by the Department of Agriculture and leading trade associations.

The *NRN* study found unit sales of nonalcoholic beverages on the rise for virtually every beverage type. Particular increases were found for caffeine-free cola, sugar-free/diet cola, sugar-free/diet noncola, brewed decaf, iced tea, caffeine-free noncola and noncarbonated fruit-flavored drinks.

But regular cola, regular noncola, citrus juices and noncitrus fruit juices also registered meaningful gains in popularity at the units participating in the *NRN* study.

For one thing, people are drinking more commercially produced beverages than ever, and food-service operators are apparently taking their share of the gross gains.

The Agriculture Department's Economic Research Service has reported per-person consumption of milk, coffee, tea, beer, wine, soft drinks and fruit juices at an average 133 gal. per person in 1982, compared to 114 gal. per person in 1962.

Obviously, drinking habits are changing, driven by the demands of a population shifting in demographic mix and adopting new lifestyles.

Of the five beverages most often available in restaurants of all types participating in the *NRN* study (regular cola, 97%; brewed regular coffee, 97%; sugar-free/diet cola, 94%; milk, 90%; regular noncola soft drinks, 89%), three are soft drinks.

This is the soft-drink generation. Unsurprisingly, the *NRN* study confirmed that beverages such as iced tea, tea, citrus juices, hot chocolate, brewed decaffeinated coffee, noncitrus fruit juices, iced coffee and herbal tea find their primary away-from-home demand at family restaurants and dinnerhouses.

AVERAGE PRICE FOR EACH AVAILABLE SOFT DRINK SIZE

	Family Restaurant/ Coffee Shop Current/Year Ago $	Dinnerhouse Current/Year Ago $	Fast-Food Current/Year Ago $
6-10 oz.	0.64/0.60	0.75/0.69	0.47/0.44
11-14 oz.	0.72/0.68	0.68/0.62	0.54/0.53
15-24 oz.	0.77/0.74	0.97/0.92	0.69/0.66
Over 24 oz.	0.95/0.85		0.85/0.82

Source: *Nation's Restaurant News* Research

SOFT DRINK SIZES CURRENTLY AVAILABLE

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
6-10 oz.	54	54	55
11-14 oz.	71	57	71
15-24 oz.	29	11	96
Over 24 oz.	7		37

Source: *Nation's Restaurant News* Research

PERCENTAGE OF TOTAL ANNUAL DOLLAR SALES COMING FROM NONALCOHOLIC BEVERAGES

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
10% or less	48	60	28
11%-20%	31	20	40
21%-30%	14	10	14
31%-40%	3		
Don't know/no answer	4	10	18

Source: *Nation's Restaurant News* Research

Soft drinks definitely have their primary identification with the fast-food segment, which also happens to be, in gross terms, not percentages, the fastest-growing part of the eating-out business.

The overall marketplace shift to soft drinks seems due to population aging (thus, fewer milk drinkers), a historic dislocation of the coffee market about 20 years ago (which literally turned the brew bitter), increased physical activity and the time many more people now spend outdoors.

The principal current changes reported by the *NRN* study, however, may owe much to the need that the larger beverage manufacturers feel to segment their product offerings in a way that directly appeals to the increasingly frequent health-related choices consumers seem to be making in both food and beverage choices.

Following brewed decaf as the most frequent recent beverage menu addition (14% of all operators adding) reported in the *NRN* study were sugar-free/diet cola (6%), caffeine-free cola (4%), regular noncola (4%), citrus juices (4%), herbal tea (3%), sugar-free/diet noncola (2%), caffeine-free noncola (2%), hot chocolate (2%) and noncitrus fruit juices (2%).

The amazing growth of brewed decaf fits well into the picture of consumers expressing health-related preferences and shouldn't astonish those who've followed the market closely.

For one thing, coffee consumption in this country has actually been relatively stable for the last three years, according to government figures. A recent study by the International Coffee Organization actually reported a slight increase in the percentage of the population drinking coffee. The largest gain came in the percentage of those who drink decaf.

Beverage sales and their importance differ, sometimes by wide margins, from one type of operation to another. The current study found that overall, nonalcoholic beverage sales account for about 14% of annual dollar volume at all chain restaurants. But they represent 17% of total sales at fast-food places, 14% at family restaurants and only 10% at dinnerhouses, where bar sales are the real center of attention.

For copies of the complete *Nation's Restaurant News* study, write Beverage Profile, c/o Ms. Ilene Stargot, *Nation's Restaurant News*, 425 Park Ave., New York, N.Y. 10022. Cost is $25.

RESTAURANT NEWS QUIZ

Take the Restaurant News Quiz below and check the correct answers on Page 74.

1. Morrison surprised food service by opening a cafeteria outside the South, the only area where cafeterias are strong. Where is the new Morrison cafeteria?
a) Juneau Alaska
b) Portland, Me.
c) Portland, Ore.
d) Annapolis, Md.

2. President Reagan stopped at a fast-food restaurant for lunch on a recent campaign trip. What did he order?
a) Chateaubriand
b) A platter of tapas
c) A Big Mac
d) Veal marsala

3. Serendipity's co-owner Stephen Bruce says customers in what city "gobble down food" and dine at a frenetic pace?
a) Des Moines
b) New York
c) Los Angeles
d) Peoria, Ill.

4. A Phoenix resort operator reports strong, above-average occupancy rates and credits strong food service and marketing. Identify the resort.
a) Pointe Resorts
b) Big Four Resorts
c) Grand Canyon Hacienda
d) Painted Forest Hotel

5. Many operators are opening new profit centers in their restaurants. What are they?
a) Video game rooms
b) Goat cheese shops
c) Take-out shops
d) Daily numbers games

6. Chi-Chi's, a Mexican dinnerhouse chain, is testing a new dinner entree. Identify it.
a) Gourmet burritos
b) Grilled halibut steak
c) Premise-made chili pasta
d) Radicchio tamales

7. Keith Reinhard penned what famous jingle?
a) "Have it your way."
b) "I did it my way."
c) "Have a nice day."
d) "You deserve a break today."

8. Where, according to a new ad, can you have anything you want?
a) Ponderosa
b) Sizzler
c) Bonanza
d) Alice's Restaurant

9. Peter Morton recently disclosed plans to open a restaurant in Chicago similar to his operations in Los Angeles and San Francisco. Name the restaurant.
a) Hard Knocks Cafe
b) Silver Spoon Cafe
c) Chip Off the Old Block Cafe
d) Hard Rock Cafe

10. Who said, "Had I known about the problems before we started, I would have left town on the next bus"?
a) Walter Mondale
b) General Westmoreland
c) John Portman
d) John Teets

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Index drops 2.6 pts. in lighter trading

(Continued from page 91)

surgers, Restaurant Systems shares changed hands 237% faster than the stock's 12-week average, gaining 25¢, to close at $12.50.

Restaurant Systems released its nine-month financial results during the week, which showed year-to-date earnings of 68¢, a 24% gain.

Hamburger Hamlets was also a leading volume trend gainer, with 200% more shares trading than usual. Hamburger Hamlets hit a 52-week high of $12.25 after adding 25¢.

Vicorp Restaurants, 155% higher than normal, lost $1.38, to close at $14.38. It clarified some earnings projections during the week.

Two issues fared poorly in their first appearance on the *NRN* stock lists. American Restaurants, a Los Angeles-based Wendy's franchisee, hit a 52-week low after sinking 50¢, to $3.25. D'Lites of America, an Atlanta-based fast-food franchisor, lost 25¢, to $14.13.

Among the leading losers of the week, Peoples Restaurants slipped 25¢, to 75¢.

NRN *STOCK INDEX*

2.6

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Restaurant Sys	236.9	Calny Food	139.4
Sonesta Intl	233.3	Rusty Pelican	117.9
Hambrg Hamlet	200.0	Kelly-Johnston	105.3
Vicorp Restaurants	155.0	Ritzys G D	103.4
Kapok Cp	154.3	Acapulco Rest	91.7

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Fast Food Oper	16.7	Ryans Fam Steak	2.6
Allegheny Bev	5.7	Ogden Corp	2.4
Ritzys G D	4.8	Hambrg Hamlet	2.1
Collins Foods	3.9	Restaurant Sys	2.0
Assoc Hosts	2.7	Intl Dairy Queen	1.2

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Peoples Rest	- 25.0	Amer Rest	- 13.3
Kelly-Johnston	- 24.0	Cracker Barrel	- 12.3
Esteban Foods	- 18.8	Ponderosa Sys	- 10.6
Chi-Chi's	- 18.5	Kapok Cp	- 9.1
Consul Restaurant	- 13.5	Vicorp Restaurants	- 8.7

	Stock Market											Financial Update																
	Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date				
	11-16-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$
Food-Service Operators																												
A&M Food Svcs .... O	3.75	- .13	- 3.2	4.25	3.75	8.75	3.75	120	.34	.42	- 19.0	10.7	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30
Acapulco Rest .... O	4.25	.00	.0	4.38	4.25	6.50	3.88	228	.92	.48	91.7	NE	.00	.0	—	9 mos.	07-84	19.0	86.3	.0	- 100.0	.01	- 91.7	28.3	.7	.3	NE	.14
Amer Rest .... O	3.25	- .50	- 13.3	3.50	3.25	6.00	3.25	200	.87	.63	38.1	12.0	.00	.0	—	fiscal	01-84	NC	NC	NC	NC	NC	NC	15.1	65.9	.4	100.0	.27
ARA Services .... N	70.13	.50	.7	70.38	70.00	70.38	40.25	4,819	4.00	4.69	- 14.7	13.5	2.10	3.0	—	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19
Assoc Hosts .... M	14.38	.38	2.7	14.88	13.75	17.13	10.50	1,731	3.92	5.52	- 29.0	16.5	.12	.8	—	9 mos.	06-84	24.0	3.9	1.1	10.0	.23	4.5	71.1	9.0	3.0	30.4	.66
Beefsteak Char .... A	2.75	- .13	- 4.3	2.88	2.63	5.00	2.63	498	.88	.61	44.3	2.1	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30
Bob Evans Farms .... M	17.50	- .25	- 1.4	17.75	17.25	24.50	14.75	600	.37	.37	.0	17.5	.30	1.7	—	3 mos.	07-84	54.0	14.2	4.4	7.3	.27	8.0	54.0	14.2	4.4	7.3	.27
Calibre Cp .... M	3.50	- .25	- 6.7	4.00	3.50	9.00	3.25	41	.14	.19	- 26.3	NE	.00	.0		9 mos.	04-84	3.7	60.9	(.2)	- 100.0	(.08)	- 100.0	10.4	147.6	(.9)	- 100.0	(.31)
Calny Food .... M	9.25	- .25	- 2.6	9.50	8.88	10.75	7.25	1,730	3.83	1.60	139.4	16.2	.16	1.7	—	6 mos.	08-84	13.0	19.3	.5	.0	.12	- 7.7	25.0	14.7	1.4	40.0	.31
Capt Crab Inc .... M	1.88	.00	.0	2.00	1.88	6.13	1.63	1,300	1.14	2.32	- 50.9	NE	.00	.0	—	9 mos.	05-84	2.6	766.7	(.5)	NC	(.04)	NC	3.7	362.5	(.6)	NC	(.05)
Carrols Cp .... N	9.13	- .50	- 5.2	9.88	9.00	10.88	7.13	587	.76	.78	- 2.6	13.8	.05	.5	—	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28
Chi-Chi's .... M	11.00	- 2.50	- 18.5	13.13	10.88	25.38	11.00	20,270	7.53	4.41	70.7	15.7	.00	.0	—	3 mos.	07-84	45.2	27.3	5.0	38.9	.19	26.7	45.2	27.3	5.0	38.9	.19
Chilis Inc .... O	23.00	- 1.25	- 5.2	23.88	23.00	24.25	12.75	1,106	2.46	4.31	- 42.9	39.0	.00	.0	NEW	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21
Churchs Fr Ch .... N	28.00	- .50	- 1.8	28.50	28.00	30.63	21.25	805	.43	1.87	- 77.0	14.6	.80	2.9	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49
Collins Foods .... N	23.38	.88	3.9	23.88	22.38	25.38	14.88	591	.68	1.05	- 35.2	12.6	.24	1.0	—	3 mos.	07-84	115.1	24.3	4.8	23.1	.55	17.0	115.1	24.3	4.8	23.1	.55
Concept Dev .... O	8.75	.00	.0	9.25	8.75	17.69	6.00	444	.86	1.95	- 55.9	12.7	.00a	.0		fiscal	06-84	14.2	NC	.7	NC	(.03)	NC	41.8	435.9	3.4	3300.0	.69
Consol Prdts .... O	5.00	.00	.0	5.13	5.00	9.50	4.75	53	.14	.77	- 81.8	16.7	.00	.0	—	9 mos.	06-84	16.0	3.9	.3	- 40.0	.09	.0	51.4	6.4	.7	- 12.5	.19
Consul Restaurant .... M	5.63	- .88	- 13.5	6.38	5.63	17.50	5.63	1,666	3.70	2.19	68.9	22.5	.00	.0	—	3 mos.	08-84	21.1	33.5	.0	- 100.0	.01	- 87.5	21.1	33.5	.0	- 100.0	.01
Cracker Barrel .... M	12.50	- 1.75	- 12.3	14.00	12.50	23.50	12.50	694	2.48	5.38	- 53.9	12.8	.14	1.1		fiscal	07-84	17.3	21.8	1.2	20.0	.46	12.2	56.9	24.5	2.7	35.0	.98
Cucos Inc .... O	3.75	- .25	- 6.3	4.50	3.75	5.00	3.50	42	.37	.36	2.8	19.7	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10
Denny's Inc .... N	41.38	.50	1.2	41.63	40.88	41.63	30.25	3,126	2.02	3.45	- 41.4	15.6	.72	1.7	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75
Diversifoods .... M	10.88	- .88	- 7.4	11.38	10.63	19.13	10.50	26,184	7.81	10.18	- 23.3	12.0	.26	2.4	NEW	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66
DLites Of Amer .... O	14.13	- .25	- 1.7	14.38	14.13	14.38	11.50	807	1.65	NC	NC	NM	.00	.0		fiscal	03-84	NC	NC	NC	NC	NC	NC	3.4	183.3	.2	NE	.09
Dunkin Donuts .... M	22.63	- 1.13	- 4.7	23.38	22.50	26.25	18.13	365	.77	.91	- 15.4	12.4	.32	1.4	—	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44
El Chico .... M	8.63	.00	.0	8.75	8.63	14.75	7.75	640	1.38	2.08	- 33.7	10.8	.00	.0	—	3 mos.	08-84	21.1	9.9	.9	.0	.20	.0	21.1	9.9	.9	.0	.20
El Torito Rest .... N	12.25	.00	.0	12.50	12.13	14.63	9.00	167	.15	.37	- 59.5	12.9	.00	.0	NEW	9 mos.	09-84	65.9	17.3	4.1	5.1	.35	40.0	189.0	20.5	9.0	32.4	.78
Fast Food Oper .... O	1.31	.19	16.7	1.38	1.13	2.75	.69	987	1.67	.99	68.7	21.9	.00	.0	—	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06
Flakey Jakes .... O	7.50	- .38	- 4.8	7.75	7.50	9.13	4.00	896	1.28	1.82	- 29.7	NE	.00	.0	NEW	9 mos.	09-84	3.3	NC	(.3)	NC	(.05)	NC	6.6	NC	(.7)	NC	(.11)
Frisch's .... A	30.38	.00	.0	30.38	30.00	32.75	24.00	10	.05	.17	- 70.6	16.9	.40b	1.3	—	3 mos.	08-84	40.5	7.4	1.7	.0	.38	- 51.9	40.5	7.4	1.7	.0	.38
Fuddruckers Inc .... M	12.38	- .13	- 1.0	12.75	12.25	17.50	9.25	748	1.15	1.67	- 31.1	NM	.00	.0	—	6 mos.	06-84	5.4	NC	(.4)	NC	(.06)	NC	9.7	NC	(.6)	NC	(.09)
Garcias Scot .... M	3.00	- .25	- 7.7	3.25	2.88	8.75	2.88	962	1.61	1.22	32.0	NE	.00	.0	—	6 mos.	06-84	12.6	40.0	.2	NE	.03	NE	29.7	57.1	.0	NE	.00
Good Taco .... M	1.75	.00	.0	1.75	1.50	7.00	1.50	244	1.00	1.47	- 32.0	NE	.00	.0	—	3 mos.	05-84	.4	300.0	(.3)	NE	(.13)	NE	.4	300.0	(.3)	NE	(.13)
Hambrg Hamlet .... O	12.25	.25	2.1	13.00	12.00	12.25	9.75	37	.51	.17	200.0	10.6	.00	.0	—	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16
Hungry Tiger .... M	4.75	- .13	- 2.6	5.00	4.75	9.00	4.25	189	.67	1.11	- 39.6	26.4	.00	.0	—	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18
Intl Dairy Queen .... O	41.00	.50	1.2	42.00	40.50	41.00	32.50	8	.04	.33	- 87.9	11.9	.00	.0		9 mos.	08-84	40.8	8.2	(26.6)	- 100.0	1.61	15.8	106.5	14.3	6.6	6.5	3.03
Intl King Tab .... M	15.75	- .25	- 1.6	16.25	15.25	18.63	11.38	922	3.24	1.95	66.2	11.8	.00a	.0	NEW	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36
JB's Rest .... M	14.25	- .38	- 2.6	14.50	14.00	16.25	10.38	196	.86	1.35	- 36.3	12.8	.20	1.4	—	9 mos.	06-84	22.2	32.1	1.0	25.0	.42	20.0	48.7	23.0	1.9	26.7	.80
Jerrico Inc .... M	17.50	- .75	- 4.1	18.25	17.25	19.63	11.88	4,001	2.54	4.75	- 46.5	13.5	.12	.7	NEW	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39
Kapok Cp .... A	2.50	- .25	- 9.1	2.88	2.38	5.88	1.13	1,335	5.95	2.34	154.3	NE	.00	.0	—	fiscal	09-83	3.4	88.9	(1.7)	NE	(.70)	NE	12.3	7.9	(2.7)	NE	(1.29)
Kelly-Johnston .... M	2.38	- .75	- 24.0	3.13	2.00	16.00	2.38	2,308	2.71	1.32	105.3	NE	.00	.0		3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)
Karcher Carl .... M	15.00	- .75	- 4.8	15.50	15.00	39.50	14.75	3,037	4.30	3.26	31.9	9.3	.00	.0		6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98
Luby's Cafe .... N	29.50	- .75	- 2.5	30.25	29.50	32.00	23.63	174	.14	.26	- 46.2	20.6	.54	1.8	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43
Marcus Corp .... M	14.63	- .25	- 1.7	14.88	14.50	15.25	11.38	143	.28	.26	7.7	10.1	.28	1.9		3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55
Marriott Corp .... N	74.00	- 2.25	- 3.0	76.13	73.88	80.25	58.50	710	.28	.70	- 60.0	16.4	.44	.6	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41
Maverick Rest .... O	5.00	- .25	- 4.8	5.25	5.00	7.00	4.50	208	.42	.32	31.3	38.5	.00	.0	—	6 mos.	07-84	2.9	NC	.3	NC	.05	NC	5.3	NC	.5	NC	.10
McDonald's Cp .... N	51.00	- 1.13	- 2.2	52.75	50.88	55.88	40.84	5,558	.63	1.22	- 48.4	12.0	.82	1.6	NEW	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36
Morrison Inc .... M	16.50	- .38	- 2.2	17.00	16.13	19.75	13.13	1,491	1.09	1.01	7.9	10.8	.48	2.9	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36
Mr Steak .... O	1.50	- .13	- 7.7	1.63	1.50	3.34	1.38	381	.80	1.15	- 30.4	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)
Nathans .... O	2.25	- .13	- 5.3	2.50	2.25	2.97	1.78	119	.53	.49	8.2	8.7	.00a	.0	—	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18
Natl Pizza .... O	8.00	.00	.0	8.25	8.00	9.75	7.50	171	.31	.52	- 40.4	10.8	.00	.0	NEW	6 mos.	09-84	11.6	38.1	.9	- 25.0	.22	- 4.3	20.5	10.8	2.0	- 9.1	.41
Naugles Inc .... M	8.00	.00	.0	8.13	7.75	20.25	7.00	714	1.54	2.02	- 23.8	NE	.00	.0	—	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)
1 Potato 2 .... O	3.75	- .25	- 6.3	4.00	3.75	12.50	3.75	157	.72	1.28	- 43.8	75.0	.00	.0	—	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

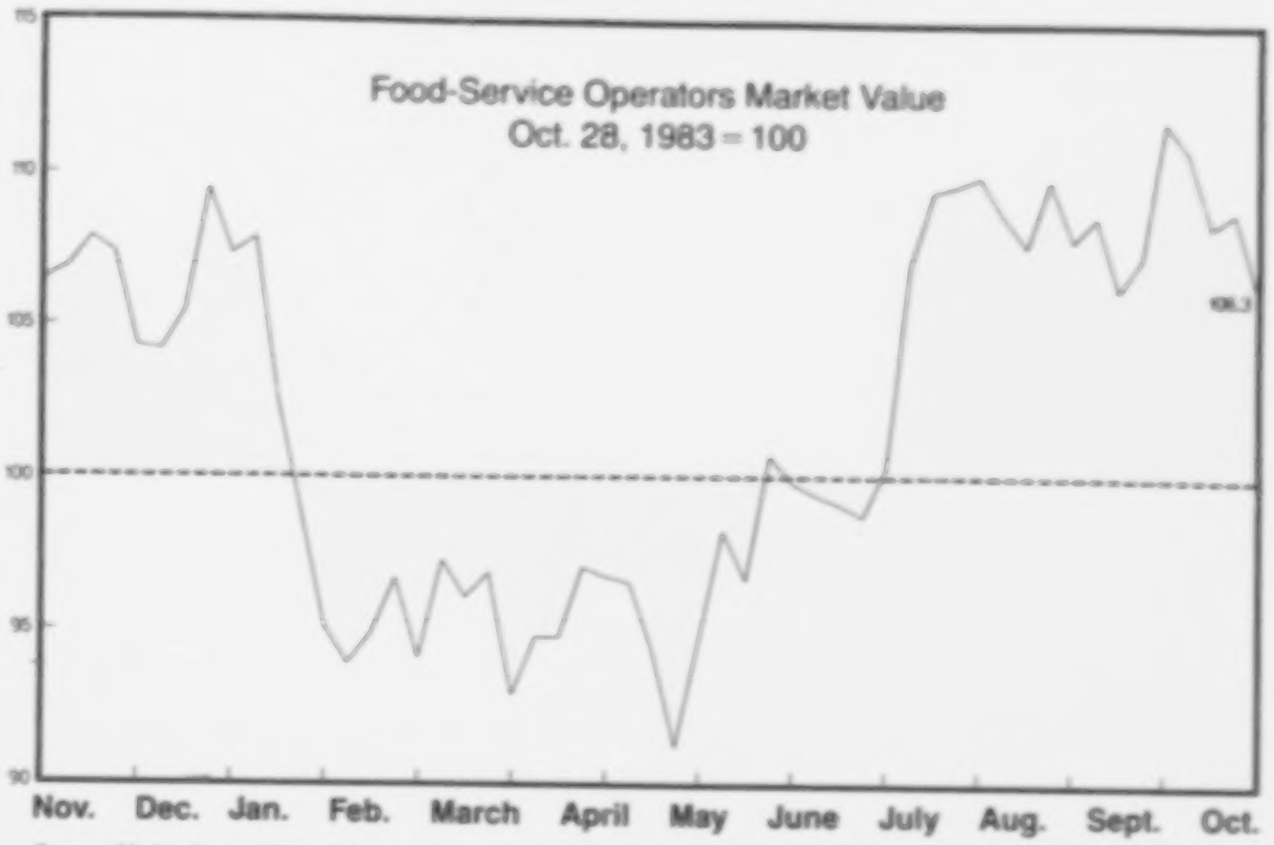
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

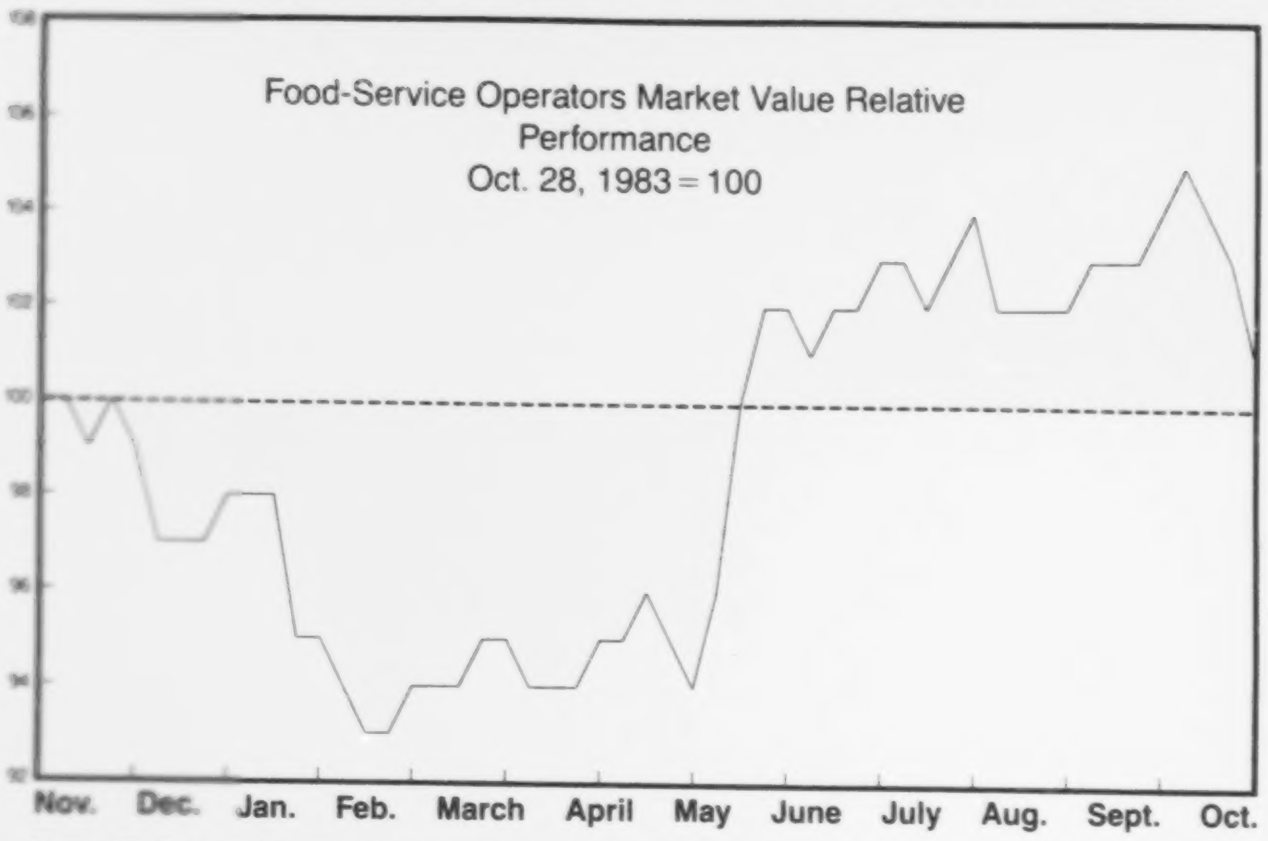
FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

NRN *STOCK INDEX*



Source: Media General Financial Services

NRN *STOCK INDEX VS. DOW JONES INDEX*



Source: Media General Financial Services

	Stock Market											Financial Update																
	Price							Volume					Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date				
	11-16-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$
Old Fashion Fd — O	5.25	.00	.0	6.00	5.25	7.25	4.75	64	.46	.38	21.1	9.5	.00	.0		3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13
Pancho Mex Buffet — M	7.00	- .13	- 1.8	7.25	7.00	8.00	5.88	83	.29	.63	- 54.0	13.2	.13	1.9	—	9 mos.	06-84	8.3	29.7	.4	33.3	.16	33.3	22.8	26.7	1.0	42.9	.36
Peoples Rest — M	.75	- .25	- 25.0	1.00	0.50	8.13	.50	8,779	10.22	6.05	68.9	NE	.00	.0		fiscal	06-84	NC	NC	(21.8)	- 100.0	(2.61)	- 100.0	32.9	57.4	(23.8)	- 100.0	(2.85)
Piccadilly Caf — M	19.00	- .25	- 1.3	19.50	18.75	24.25	13.13	165	.27	.87	- 69.0	11.7	.60	3.2	NEW	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45
Pizza Inn — A	8.25	.00	.0	8.38	8.13	15.50	8.13	265	.87	1.17	- 25.6	8.1	.08	1.0	—	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81
Po-Folks — M	12.25	.13	1.0	12.38	12.00	16.63	10.25	232	.52	1.04	- 50.0	16.3	.00	.0	NEW	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75
Ponderosa Sys — N	13.75	- 1.63	- 10.6	15.38	13.13	24.88	13.13	5,747	5.99	3.46	73.1	8.5	.40	2.9	—	6 mos.	08-84	125.3	34.4	4.7	2.2	.51	- 12.1	244.0	31.1	9.2	21.1	1.06
Primo Inc — O	3.75	- .13	- 3.2	4.00	3.75	7.00	2.38	242	.87	1.49	- 41.6	34.1	.00	.0	—	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06
Rax Restaurants — M	11.25	- .50	- 4.3	11.75	11.25	21.50	11.25	360	.65	.94	- 30.9	17.9	.00	.0	—	3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23
Rest Assoc — A	7.75	- .38	- 4.6	7.88	7.50	9.50	6.50	142	.51	.47	8.5	10.9	.00	.0	NEW	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35
Restaurant Sys — M	12.50	.25	2.0	13.25	12.25	14.25	9.00	505	2.19	.65	236.9	14.7	.00	.0	NEW	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68
Ritzys G D — M	2.75	.13	4.8	2.88	2.50	10.25	2.25	938	1.81	.89	103.4	NE	.00	.0	NEW	9 mos.	09-84	4.4	- 26.7	(.5)	NE	(.11)	NE	10.6	76.7	(1.6)	NE	(.31)
Rusty Pelican — M	17.00	- 1.00	- 5.6	18.25	16.75	18.25	11.38	1,768	9.96	4.57	117.9	27.0	.00	.0		9 mos.	04-84	9.3	20.8	.5	25.0	.25	25.0	24.6	17.1	1.1	37.5	.53
Ryans Fam Steak — M	19.75	.50	2.6	19.75	19.00	25.25	15.50	840	1.97	1.80	9.4	28.6	.00	.0	—	9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53
Saga Corp — N	33.50	.00	.0	33.75	33.25	35.50	24.63	594	.46	.99	- 53.5	13.6	.44	1.3	—	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42
Sandwich Chef — O	8.00	.00	.0	8.25	8.00	11.75	6.75	80	.62	.94	- 34.0	13.8	.00	.0	NEW	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16
Sea Galley — M	8.38	.00	.0	8.63	8.00	11.25	7.13	1,642	4.18	4.20	- .5	8.4	.00	.0	NEW	9 mos.	09-84	15.7	101.3	3.0	20.0	.76	20.6	48.3	- 10.4	5.3	130.4	1.35
Shoney's Inc — M	31.88	- 1.00	- 3.0	32.88	31.88	35.13	20.00	1,828	.88	.98	- 10.2	23.1	.16	.5	—	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.[illegible]5
Shoney's South — M	14.25	- .75	- 5.0	15.00	14.25	16.59	11.00	94	.17	.82	- 79.3	12.1	.00	.0	—	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00
SIS Cp — M	4.75	.00	.0	5.25	4.75	10.75	4.50	57	.37	.33	12.1	33.9	.00	.0	—	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14
Sizzler Rest Intl — M	16.75	.00	.0	16.75	16.25	18.75	8.75	85	.13	1.11	- 88.3	14.3	.00	.0		fiscal	04-84	37.7	18.6	2.4	50.0	.37	54.2	142.3	11.2	7.9	36.2	1.17
Skippers — M	9.63	.00	.0	9.88	9.63	11.50	8.00	185	.68	.89	- 23.6	11.7	.06	.6	NEW	9 mos.	09-84	14.5	25.0	.5	25.0	.18	20.0	42.3	25.1	1.6	14.3	.60
So Hospitality — M	4.50	- .13	- 2.7	4.63	4.50	5.13	3.75	464	.97	1.34	- 27.6	13.2	.00	.0		3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08
Taco Viva — M	7.75	.00	.0	8.00	7.75	10.25	7.00	168	.74	.74	.0	16.5	.00	.0		fiscal	05-84	5.6	21.7	.3	200.0	.11	57.1	21.8	38.0	1.1	37.5	.47
TGI Friday's — N	8.88	- .50	- 5.3	9.50	8.88	17.88	8.63	937	.82	.79	3.8	15.0	.00	.0	NEW	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48
TGIF Texas — O	2.38	.00	.0	2.88	2.38	7.50	2.25	41	.27	.23	17.4	NE	.00	.0	—	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)
Transworld — N	30.25	- 1.75	- 5.5	31.75	30.00	33.53	23.63	7,002	2.49	2.86	- 12.9	4.3	.40	1.3	NEW	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39
USACafes — M	4.00	.00	.0	4.13	3.88	5.00	2.75	164	.32	.61	- 47.5	NA	.00	.0	—		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants — M	14.38	- 1.38	- 8.7	15.25	14.13	22.00	14.38	5,041	7.60	2.98	155.0	12.3	.12	.8	—	9 mos.	07-84	68.4	129.5	2.7	68.8	.41	46.4	157.4	170.4	5.8	100.0	.87
Victoria Stations — M	3.38	.00	.0	3.38	3.13	9.63	3.00	2,715	7.67	8.06	- 4.8	NE	.00	.0	NEW	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)
Wendys Intl — N	16.75	- .63	- 3.6	17.63	16.50	20.50	13.13	9,460	1.74	1.18	47.5	14.0	.28	1.7	NEW	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93
Wstn Steer — O	10.75	- .25	- 2.3	11.50	10.75	13.25	9.00	150	1.23	.87	41.4	11.7	.20	1.9	—	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33
Winners Cp — N	6.00	- .50	- 7.7	6.50	5.88	16.25	5.88	1,579	3.61	2.03	77.0	12.2	.00	.0	—	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30
Hotels, Motels, and Casinos																												
Am Motor Inns — A	21.13	- .13	- .6	21.25	21.13	21.75	12.50	45	.04	.80	- 95.0	13.3	.16	.8		fiscal	07-84	52.8	17.1	5.9	25.5	.51	- 38.6	201.1	23.8	18.4	32.4	1.59
Brock Hotel Cp — N	4.00	.00	.0	4.25	3.50	7.63	3.50	2,390	1.81	1.21	49.6	28.6	.10	2.5	—	6 mos.	06-84	74.8	- 4.6	(1.2)	NE	.14	NE	151.0	- 2.1	(3.8)	NE	(.05)
Hilton Hotels — N	54.50	.00	.0	54.63	54.13	59.50	45.50	344	.13	1.24	- 89.5	21.8	1.80	3.3	—	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56
Holiday Inns — N	40.13	- 2.00	- 4.7	42.25	40.00	52.75	35.25	3,168	.89	2.31	- 61.5	11.7	.90	2.2	—	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00
Prime Mtr Inn — N	23.13	- .13	- .5	23.25	22.00	25.50	16.00	1,098	.76	.50	52.0	19.3	.12	.5		fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20
Ramada Inns — N	6.00	- .13	- 2.0	6.13	5.50	11.63	5.50	4,763	1.28	2.99	- 57.2	20.0	.00	.0	NEW	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18
Servico Inc — M	19.25	.00	.0	19.25	19.25	24.50	13.50	4	.01	.42	- 97.6	13.2	.00a	.0	—	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.60	- 11.8	90.2	24.8	2.8	47.4	.89
Sonesta Intl — O	18.50	.00	.0	20.50	18.50	18.50	16.50	16	.10	.03	233.3	NE	.30	1.6	—	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)
Other Companies with Food-Service Operations																												
Allegheny Bev — M	18.63	1.00	5.7	18.88	18.00	20.00	13.50	518	.86	2.11	- 59.2	12.3	.80	4.3	NEW	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10
Ch Full O Nut — N	8.00	- .75	- 8.6	8.75	7.75	14.56	7.75	476	1.03	.56	83.9	88.9	.48	6.0	NEW	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09
Disney, Walt — N	58.25	.00	.0	58.50	57.75	68.50	45.25	2,644	.79	4.28	- 81.5	19.1	1.20	2.1	—	9 mos.	06-84	544.5	51.9	54.4	153.0	1.45	137.7	1192.8	26.3	85.7	24.7	2.35
Esteban Foods — O	1.63	- .38	- 18.8	1.75	1.63	4.75	1.63	119	.51	1.23	- 58.5	NM	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)
Gen Mills — N	50.25	- 4.00	- 7.4	54.25	49.50	60.00	41.63	7,749	1.71	.96	78.1	10.8	2.24	4.5	—	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20
Horn & Hardart — A	8.88	- .50	- 5.3	9.50	8.63	24.75	8.63	1,810	1.46	2.29	- 36.2	10.3	.00a	.0	NEW	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49
Ogden Corp — N	26.88	.63	2.4	27.13	26.00	32.50	24.13	914	.48	1.36	- 64.7	12.2	1.80	6.7	—	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63
PepsiCo Inc — N	44.25	- 1.00	- 2.2	45.25	44.25	45.75	34.50	6,597	.70	1.16	- 39.7	12.9	1.68	3.8	—	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61
Pillsbury Co — N	42.75	- 1.00	- 2.3	44.63	42.38	44.63	33.00	2,157	.50	.80	- 37.5	10.7	1.56	3.6	—	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90
Vie de France — O	12.38	- .38	- 2.9	12.75	12.38	15.25	10.50	230	.21	.46	- 54.3	21.0	.23	1.9	NEW	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

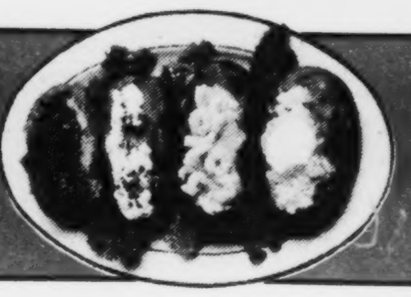
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

Chains, independents experiment with menus
—Pages F3-F13



Gaylen's: Tinsley tackles Texas barbecue market
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French sommelier has a familiar problem
—Page F16

Nation's
Restaurant News®

The Weekly Newspaper of the Food-Service Industry

Vol. 18, No. 29 **Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year** **December 3, 1984**

Massachusetts eliminates happy hours

Bans most liquor/beer promotions

By Joe Edwards

BOSTON — Happy hours and other promotions of alcoholic beverages have been banned in Massachusetts bars and restaurants in the latest example of society's get-tough attitude toward drunk driving and alcoholism.

Gov. Michael S. Dukakis signed regulations, effective Dec. 10, prohibiting happy hours, free drinks, jumbo drinks, 2-for-1 specials, reduced drink prices, offering drinks as prizes, holding drinking contests and selling pitchers of beer to one person.

Massachusetts is the first state to impose such severe restrictions on bar business. Other states are expected to watch how the new regulations work and possibly to follow suit.

"Yes, we are trying to regulate how people drink," Dukakis said. "Some of our worst disasters take place over the holidays. We'd like to reduce them, and these regulations go a long way toward that goal." The regulations will remain in effect beyond the holidays.

Just how the new regulations will effect bar sales is not known. Many operators nationwide have already set up programs to discourage overindulgence. El Torito eliminated happy hours at its six Massachusetts units in September.

Joseph Motzi, president of ECI, a hotel and restaurant consultant in Massachusetts, said that "about 2% of the bars will be devastated, another 30% will be adversely affected, and the rest will not be affected at all" by the new regulations.

Paula Gold, Massachusetts' secretary of consumer affairs, said that some local communities in Massachusetts and other states have already banned happy hours. "To my knowledge, this is the first time a state has taken that step," she remarked.

*(See **LIQUOR**, page 83)*

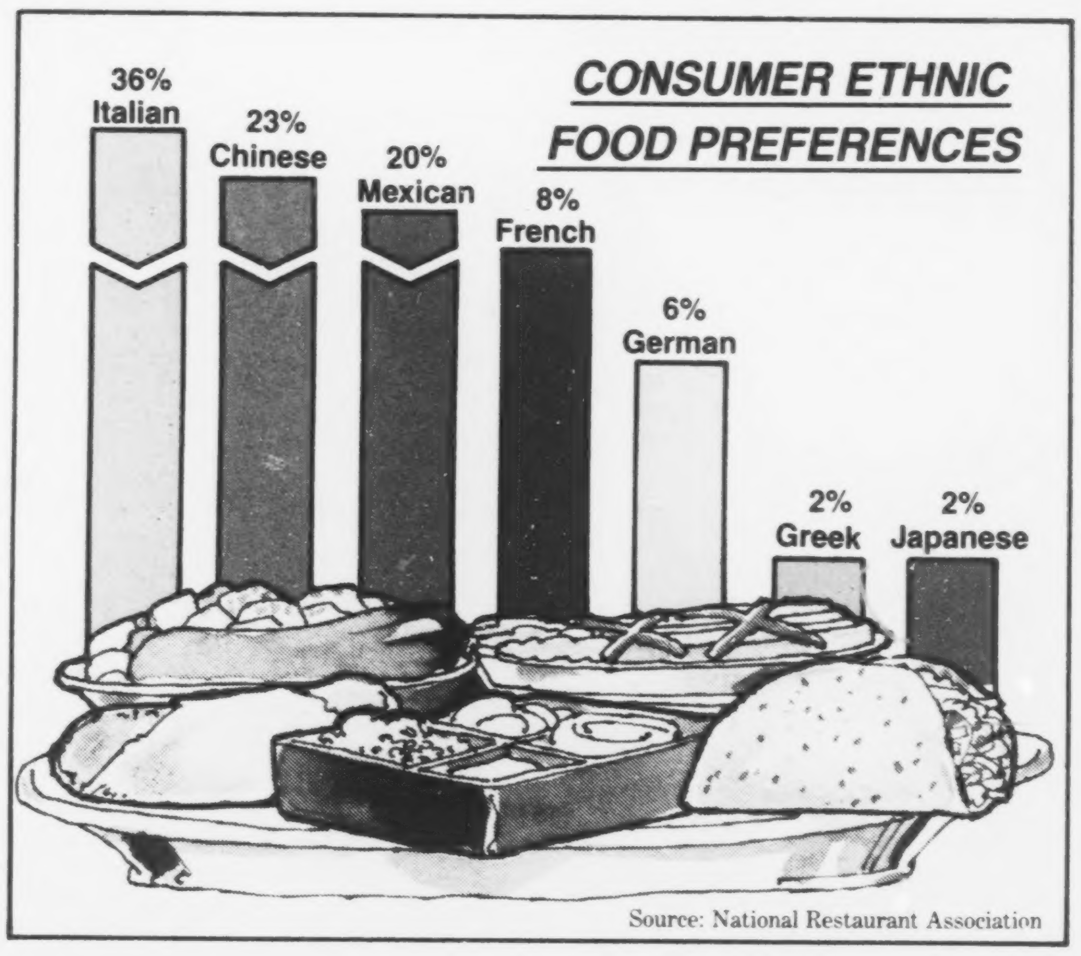
New thrust seen for Flakey Jake's

SEATTLE — Flakey Jake's is using menu expansion and target marketing of couples with children to reposition itself as a fast-service family restaurant chain, president and chief executive Robert Luckey has disclosed.

This is the second time in three months that an official of a "gourmet" burger chain has sought to distance his concept from the pack. Statements by Chili's chief executive Norman Brinker and now Luckey are fueling industry speculation that the emerging segment is already approaching saturation in some markets.

On the job for about six months after a stint as Sambo's chairman, Luckey, ex-president of Chart House (now Diversifoods), is directing the rollout of numerous new menu items, including fish and chicken sandwiches, salad bars and an expanded dessert line. New items will be in all units by year's end, Luckey said.

*(See **FLAKEY**, page 14)*



Source: National Restaurant Association

Consumers clamor for ethnic food

***NRN* Special Report**

Even though food-service operators in nearly every segment are bolstering menus with a widening variety of ethnic dishes, consumer appetite for novel and exotic cuisines is growing at a faster pace, according to a study published by the National Restaurant Association.

Consumers responding to the survey said they want more ethnic items on restaurant menus, would order more

*(See **ETHNIC**, page 83)*

INSIDE *NRN*

RAX is testing a wide range of new menu items, including three dinner platters and chili 24

BAGELS by Lender's, once found only in supermarkets, may soon be the basis for a chain 28

WORD-OF-MOUTH advertising is considered the most effective, but also the toughest to generate 61

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Church St. Station on move

Snow ready to take operation beyond Florida

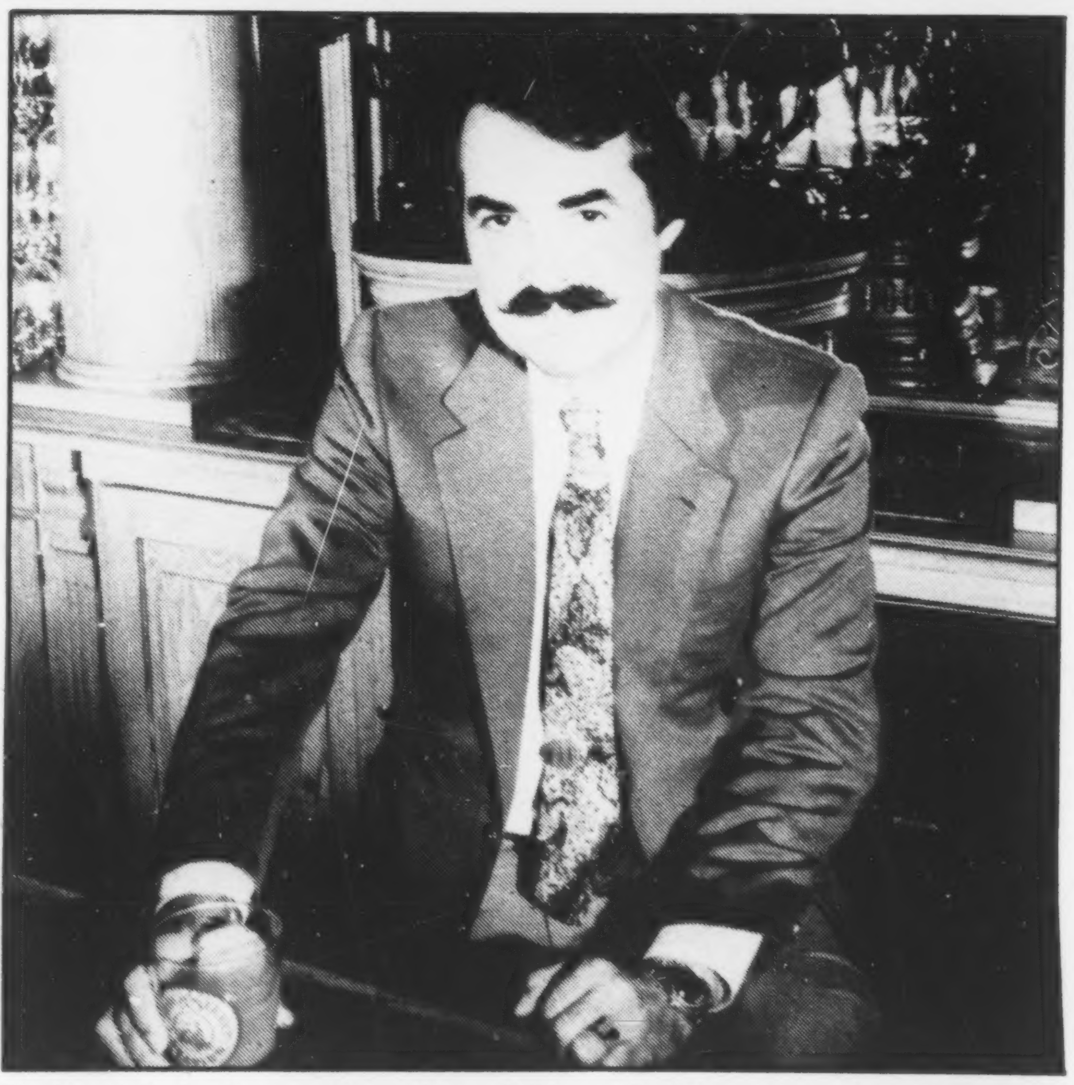
By D. M. Levine

ORLANDO, Fla. — Entrepreneur Robert J. S. Snow, credited with transforming a city slum into one of Florida's foremost tourist attractions, says he's ready to expand the project and perhaps work some of his magic for other communities.

Snow is the flamboyant owner of Church Street Station, a 10-year-old dining-and-entertainment complex that stretches over two city blocks that were formerly occupied by a seedy-looking hotel and an assortment of run-down shops.

The complex consists of five drinking and eating establishments that are designed as if they were built sometime between the Gay Nineties and the Roaring Twenties. They come complete with period antiques and paintings as well as old bricks and functioning gaslights—all obtained from

*(See **SNOW**, page 12)*



Robert J. S. Snow, founder of Church Street Station, is credited with turning a slum into a huge tourist attraction.

Brock and Americana agree to merge in early '85

Americana to own 55% of new ABC

By Peter Romeo

DALLAS — Brock Hotel Corp. and Americana Hotels have completed an agreement to merge their hotel holdings into a new concern called Americana-Brock Corp., or ABC.

Americana will own 55% of the new company. Brock will own the remaining 45%, though its share may be adjusted at the end of 1985 to reflect depreciation allowances and aftertax earnings contributed during the coming year.

In addition, Brock will be compensated over the next 10 years for 50% of the royalties, development fees and franchise dues generated by its Residence Inns Group, an all-suites contender described by Brock as having "great promise, but small earnings."

Industry observers expect the Residence Inns chain to be ABC's principal growth vehicle, fueled by the ample financial resources of Americana and its main owner, the oil-rich Bass family.

Brock, in contrast, has been strapped by a sizable long-term debt stemming from the development of its Park Suite Hotels and ShowBiz Pizza Place chains. The latter was recently reorganized by Brock, with 30 unprofitable units transferred into a new division named Unique Concepts Corp. Brock had planned to convert the restaurants into high-energy lounges.

Brock is now in negotiations to sell the Unique Concepts division. A separate deal is being worked out for the sale of Brock's 50% interest in Park Suite Hotels.

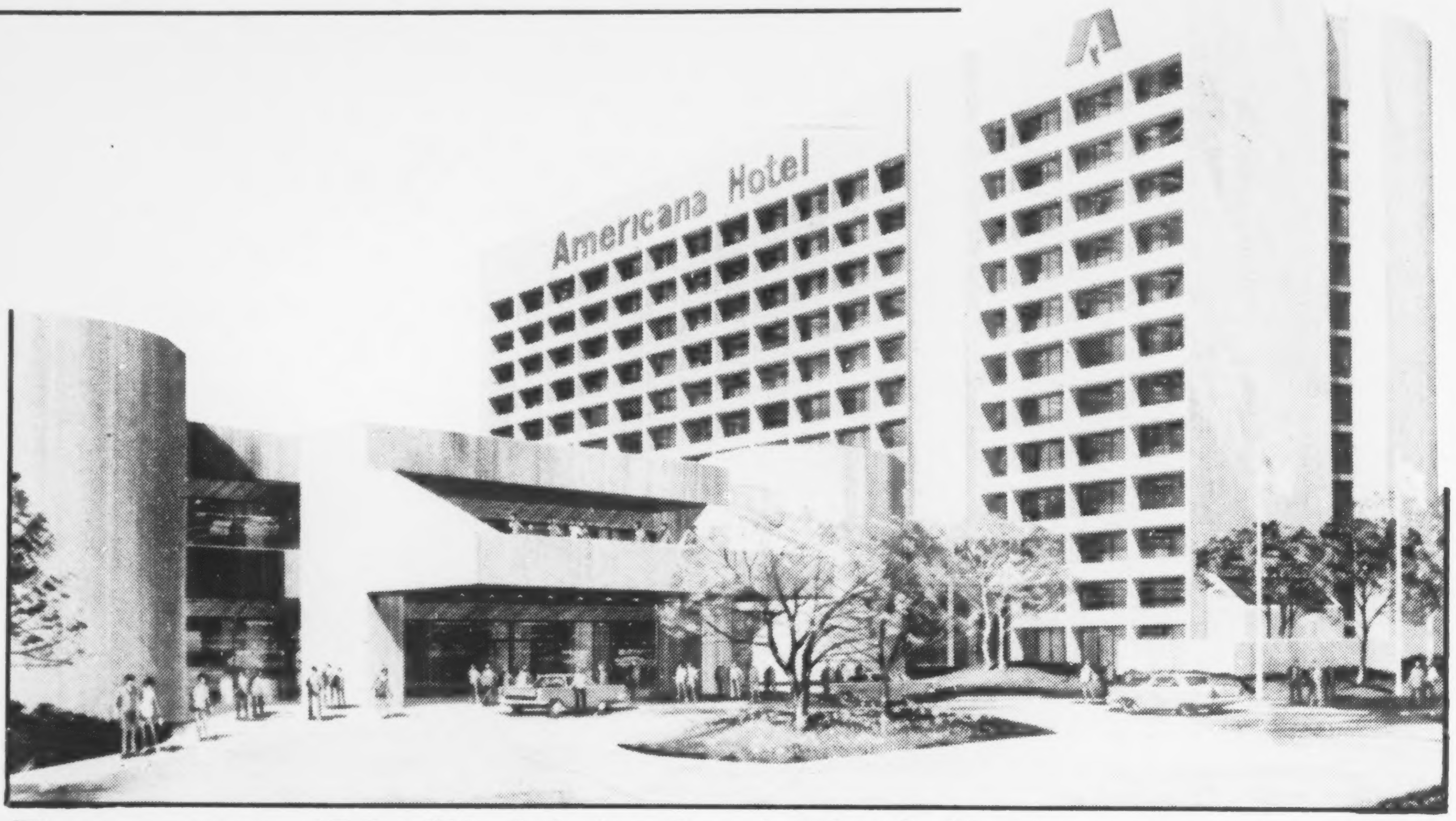
The hotel and restaurant firm would not reveal the identity of either buyer.

Americana, meanwhile, is looking to help Brock resolve its cash-flow problem by agreeing to purchase four of Brock's hotels for $19 million. The four will subsequently become part of ABC.

The new company will also include Americana's 37 hotels, the eight Residence Inns wholly owned by Brock, the latter's interests in 24 franchised Inns and Brock's 48 Holiday Inns franchises.

To complete the merger, both Americana and Brock will reorganize their lodging holdings into two new subsidiaries.

The transaction is expected to be completed by the first half of 1985.



The new company, ABC, will include Americana's 37 hotels, like the one shown above. Americana has also agreed to buy four Brock hotels for $19 million.

COMMODITIES

Use as soda sweetener may raise corn prices

By Gary S. Friedman
Commodities Analyst

Consider the multitude of products produced from corn: industrial products, animal feeds, food products for humans, not the least of which are high-fructose corn sweeteners, which will now, depending on which soft drink you prefer and where it is bottled, comprise up to 100% of the sugar that was once part of the cola generation's daily sugar dose.

On Nov. 6 both the Coca-Cola Co. and PepsiCo, which comprise two-thirds of the soft-drink industry, gave approval for 100% replacement of sugar with corn sweeteners. This event, already taken by the smaller "other" soft-drink companies, merely completed the process that has been going along for some time, because of the substantial price differentials between sugar and corn sweeteners.

Coke and Pepsi, two companies heavily involved with consumer market testing before any change, took the plunge in incremental amounts. Bottlers in the spring of 1983 were first given the option of using a 50% sugar replacement. By early 1984 Coke, pleased with the results, determined to up the ante: 75% maximum use in bottled drinks and 100% in fountain markets.

Analysts are predicting some longer-term changes for both the corn markets and the corn wet milling industry as a result of these actions.

Corn producers and prices have ridden quite a roller-coaster over the last few years. Supplies were sharply down in 1983 because of a disastrous drought that had many people wondering whether stocks could hold out to the following harvest. Prices went sharply higher, and many of the laggards to market trends, who needed supplies, found themselves priced out of the market.

PRICE MOVEMENT AT A GLANCE

Cash Prices	Nov. 27, 1984	Year Ago
Broilers, Dressed, A, N.Y., lb.	$0.5278	$0.6053
Butter, AA, Chicago, lb.	$1.5975	$1.49
Coffee, Brazilian, N.Y., lb.	$1.38	$1.47
Eggs, large, white, Chicago, dozen	$0.73-$0.75	$0.93
Rice, #2, milled, f.o.b., Ark., cwt	$17-$19	$19
Wheat, #2, hard, K.C., bushel	$3.85	$3.8025
Tallow, edible, Chicago, lb.	$0.35	$0.20

Source: NRN Research

McDonald's marks milestone, serves 50 billionth hamburger

By Joe Edwards

NEW YORK — "Fast Eddie" Rensi donned an apron, slapped a Quarter-Pounder on a grill and cooked McDonald's 50 billionth hamburger as television cameras rolled, flash bulbs popped and a surprisingly enthusiastic New York press corps applauded, oohed and ahhed this latest milestone in Pop culture and food-service history.

When the computer-controlled grill signaled that the burger was cooked, Rensi, who earned his nickname cooking burgers at a McDonald's unit in Columbus, Ohio, and is now president of McDonald's U.S.A., served the Quarter-Pounder to Dick McDonald, who with his late brother, Maurice, opened the first McDonald's restaurant in San Bernardino, Calif., in 1948.

It was a media event of the first order, staged in a ballroom of the Grand Hyatt Hotel in midtown Manhattan. In addition to chain executives, invited guests, including the chain's first licensees, Art and Bernice Bander, and several

*(See **McD**, page 11)*

As reporters pop flashbulbs and dine on champagne and Quarter Pounders, McDonald's president Ed Rensi (left) serves the historic 50 billionth burger to Dick McDonald as an interested party—Ronald McDonald—looks on.

Atlantic City casino-hotels end slump

ATLANTIC CITY — The 10 casino-hotels here pulled out of their slump during the third quarter, posting a combined net profit of $77.2 million, or $50.3 million more than they collectively reported for the previous three months.

However, the July-through-September tally still falls $21 million short of the figure reported for the same period of last year, when the nine casino-hotels then operating posted a record net income of $98.2 million.

Similarly, the 10 properties reported a year-to-date net income of $130.1 million, compared to the $143.6 million posted for the first nine months of 1983.

According to the New Jersey Casino Control Commission, only one casino-hotel, the Claridge, lost money during the third quarter of this year. The 504-room property, which has often finished in the red since its 1981 opening, posted a pretax loss of $2.6 million.

During the second quarter of this year, three other casino-hotels posted a net loss. However, all three bounced back to finish squarely in the black during the summer period, which is typically Atlantic City's busiest season.

Figures released by the Casino Control Commission indicated that Harrah's Marina

*(See **CASINOS**, page 83)*

ETHNIC

(Continued from page 1)

ethnic foods if they were offered and in general enjoy sampling foods they have never eaten before. They also singled out family-style restaurants as the sort of establishment that needs more ethnic dishes.

The findings, contained in the NRA's "Consumer Preferences for Ethnic Foods in Restaurants," confirm the beliefs of many independent and chain operators who have been expanding their ethnic offerings in recent years.

They also support the claims of operators, analysts and observers who have identified ethnic foods and ethnic restaurants as growth areas for the 1980's.

Italian, Chinese and Mexican foods were the three most popular ethnic cuisines among restaurant diners questioned by the NRA. Interestingly, these foods gained their initial popularity because of their availability in restaurants, usually independent restaurants.

Italian food is the most popular ethnic cuisine, with 36% of the respondents saying it is the ethnic food they like best when they dine out. Chinese food was second, the choice of 23% of the respondents, and Mexican was third, picked by 20%, followed by French, 8%; German, 6%; Greek, 2%, and Japanese, 2%.

Those most likely to order ethnic foods, according to the study, are men; adults between the ages of 35 and 54, single people; married persons who have no children; individuals with incomes between $25,000 and $35,000, and frequent restaurant patrons.

Consumers who said they were not particularly fascinated by ethnic foods were not mainstream restaurant patrons, saying they eat meals away from home fewer than two times a month. These consumers have lower household incomes ($15,000 to $25,000) and are 55 years of age and older. And they said they would not try ethnic foods in the future regardless of the choices available.

But about half the respondents said they were eating more ethnic foods today than they did three years ago.

The survey was released at a time when operators in nearly every segment are expanding their ethnic offerings, saying they believe their customers are growing more sophisticated and more willing to try exotic and unusual dishes.

The study also coincides with widespread proliferation of new menu items in general and the move by many operators to segment the marketplace through acquisitions and the development of new concepts.

Italian food, for years as ubiquitous as hamburgers and roasted chicken on restaurant menus, is apparently still as popular as ever. But operators are moving away from such classic Southern Italian dishes as lasagne, manicotti and ravioli and serving foods from other regions of Italy.

Pastas made from spinach, tomatoes, whole wheat and other ingredients are showing up in many different types of restaurants. They are made on the premises and served with unusual toppings and sauces.

Pizzas are moving from Mom-and-Pop pizzerias and national chains into upper-end dinnerhouses such as Spago in Los Angeles and Fiorello in New York. These new pizzas, however, are served with adventurous toppings, including goat cheese, braised duck, caviar, smoked salmon and other unexpected items.

Several large chains and food-service companies are trying to develop national Italian dinnerhouse chains. Imasco, Hardee's parent, recently acquired Mamma Grisanti's in Louisville, Ky., and Collins Foods International, a leading Kentucky Fried Chicken franchisee and operator-franchisor of Sizzler, bought the 10-unit Josephina's Italian Cafe a few months ago.

Chinese food, long the domain of independent, single-unit operators, "is moving out of Chinatown," according to Bill Hale, of Technomics Consultants. Hale noted that some operators of non-Chinese restaurants are adding Chinese items to their menus; he reported seeing a pita sandwich with moo shu pork in a Chicago café.

Noodles, an independent restaurant in New York, offers a noodles-based menu of Italian, Korean and Chinese dishes. The Good Earth chain has several wok-cooked dishes, including a breakfast omelet and stir-fried chicken, shrimp and beef. Independents are also beginning to add Chinese-style dishes as specials, and Spago's chef-owner Wolfgang Puck opened a California-style Chinese restaurant named Chinois on Main in Los Angeles last year.

Some food writers regard McDonald's Chicken McNuggets as a dish inspired by Chinese appetizers.

Mexican food, the third most popular ethnic food according to the NRA survey, has been showing up on non-Mexican restaurant menus in the last two years even as Mexican chains such as El Torito and Chi-Chi's expand rapidly.

Mexican items are popular especially at casual restaurant chains such as Chili's, T.G.I. Friday's and Houlihan's. Fajitas, nachos, chili and other items are commonplace on many types of menus, and nachos are even available at movie theater snack bars. Wendy's sells chili and a taco salad.

In a recent speech, Ron Paul, of Technomics Consultants, declared that the industry has "only scratched the surface" in ethnic foods and predicted that ethnic cuisines will be a primary driving force in the industry over the next few years.

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LIQUOR

(Continued from page 1)

A couple of days before the governor signed the new regulations into law, the Massachusetts House approved legislation to raise the minimum legal drinking age to 21 by June 1, 1985. Twenty-three states now have a minimum drinking age of 21, compared with 14 a year ago. There is talk that Congress may pass a Federal minimum drinking age of 21.

In addition, 23 states now hold restaurant and bar operators legally responsible for accidents caused by intoxicated adult patrons and minors. And such groups as Mothers Against Drunk Driving (MADD), Students Against Drunk Driving (SADD) and Remove Intoxicated Drivers (RID) have grown into powerful lobbies in Congress and state legislatures.

Meanwhile the food-service industry has taken steps on its own to combat drunk driving. The National Restaurant Association and state restaurant groups are holding seminars and workshops to educate operators and bartenders on how to prevent their customers from consuming too much alcohol.

Many operators are curtailing 2-for-1 drink offers and other promotions. They are providing free nonalcoholic drinks to designated safe drivers whose friends are drinking, offering free coffee and cab rides to patrons who have had one too many, placing more emphasis on food sales and promoting nonalcohol and low-alcohol drink sales.

Congress has designated the week of Dec. 9 to 15 as National Drunk and Drugged Driver Awareness Week.

BRASS

(Continued from page 2)

seats to the original 180."

Kuhnt points out that, although the Brasserie always did a thriving late-night business—approximately 36% of gross sales—breakfast has perhaps shown the strongest growth recently. Due in part to the growing popularity of business breakfasts in New York, the early-morning hours now account for about 14% of sales.

Midtown's business population accounts for the greater part of the Brasserie's clientele. According to Kuhnt, this is even more evident because of the strength of the dollar and the concomitant decline of tourism.

Conceived by RA resident wizard Joe Baum in the late 1950's, the restaurant is patterned after an Alsatian brasserie—a casual restaurant usually owned by a brewery and serving food that goes well with beer.

As at all good bistros, specialties include a choucroute—a platter of smoked meats—for $9.50; onion soup, for $3.65; a number of grilled beef items, ranging from $13.50 to $17.25; four or five omelets, priced from $7.95 to $8.25, and steak tartare, for $9.25.

Currently the Brasserie is running a special promotion to celebrate the 1984 Beaujolais Nouveau. Essentially an autumn game menu, the dishes include hare pâté en croûte, $3.75; cream of celery root soup, $2.95; medallions of venison with a chestnut and Brussels sprouts puree, $13.50; braised red snapper, $12.95; two quails with grapes and a red wine risotto, $12.50, and poached pear with vanilla sauce and pear William liqueur, $2.95.

Check averages for the standard menus run $6 at breakfast, $10 at lunch and $12 at dinner. Kuhnt estimates food cost amounts to about 32% of total sales.

CASINO

(Continued from page 3)

had the highest earnings during the third quarter, posting a net income of $23.1 million.

It was followed in the earnings ranking by Resorts International, which reported an after-tax profit of $11.5 million.

Finishing third was the Golden Nugget, with a net profit of $9.4 million.

It was followed by Bally's, with an after-tax income of $9.4 million; the Tropicana, with $8.6 million; Caesars, $4.6 million, and the Sands.

Atlantic City's newest casino, Harrah's Trump Plaza, reported a pretax profit of $8.6 million. The property, which opened on May 14, had posted a loss of $3.1 million for the six weeks it operated during the second quarter of 1984.

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Index drops 3.1 points with mixed trading

(Continued from page 86)

four-day week was significantly lighter than usual. Seventy-four stocks on the *NRN* listings traded slower than their 12-week averages.

Kelly-Johnston, a Chi-Chi's operator and owner of the Duff's cafeteria chain, topped both the volume trends and price losers' lists. The company's stock price plummeted 63¢ per share, to $1.75, as more than 12% of its shares changed hands.

More than 10% of Winners Corp.'s stock traded, as the stock fell 38¢, to $5.63.

McDonald's was among the 10 top price gainers for the week, adding $2.38, to close at $53.38.

Hamburger Hamlets and International Dairy Queen held their 52-week highs unchanged from last week. IDQ closed at $41 and Hamburger Hamlets closed at $12.25.

Some of the biggest restaurant issues were mixed: Wendy's, up 75¢, to $17.50. T.G.I. Friday's, up 25¢, to $9.13. Shoney's, down $1.63, to $30.25. Saga, down $2, to $31.50. Ponderosa, unchanged at $13.75. Pizza Inn, down 63¢, to $7.63. Naugles, unchanged at $8. Morrison, up 38¢, to $16.88. Jerrico, down 13¢, to $17.38. Dunkin' Donuts, up 75¢, to $23.38. Church's Fried Chicken, up 38¢, to $28.38.

Among the leveraged buyout candidates, ARA Services rose 63¢, to $70.75.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Kelly-Johnston	457.4	Ponderosa Sys	47.7
Winners Cp	275.3	SIS Cp	46.9
Chi-Chi's	92.7	Amer Rest	45.8
Consul Restaurant	60.5	Restaurant Sys	40.0
Morrison Inc	55.7	Nathans	38.5

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kapok Cp	30.0	Calibre Cp	7.1
Cracker Barrel	12.0	Ch Full O Nut	6.3
Vicorp Restaurants	8.7	Nathans	5.6
Esteban Foods	7.7	Karcher Carl	5.0
Amer Rest	7.7	McDonald's Cp	4.7

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kelly-Johnston	- 26.3	Brock Hotel Cp	- 12.5
Mr Steak	- 16.7	Pancho Mex Buffet	- 10.7
Good Taco	- 14.3	Fast Food Oper	- 9.5
Ritzys G D	- 13.6	Consul Restaurant	- 8.9
Maverick Rest	- 12.5	Concept Dev	- 8.6

	Stock Market											Financial Update																
	Price							Volume																				
	11-23-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date				
															New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$
Food-Service Operators																												
A&M Food Svcs ..... O	3.75	.00	.0	4.13	3.75	8.75	3.75	63	.18	.37	- 51.4	10.7	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30
Acapulco Rest ..... O	4.00	- .25	- 5.9	4.25	4.00	6.38	3.88	43	.17	.40	- 57.5	NE	.00	.0	—	9 mos.	07-84	19.0	86.3	.0	- 100.0	.01	- 91.7	28.3	.7	.3	NE	.14
Amer Rest ..... O	3.50	.25	7.7	3.75	3.25	6.00	3.25	197	.86	.59	45.8	12.5	.00	.0		3 mos.	04-84	4.5	21.6	.1	.0	.07	16.7	4.5	21.6	.1	.0	.07
ARA Services ..... N	70.75	.63	.9	70.88	70.13	70.88	40.25	5,892	4.89	4.91	- .4	13.6	2.10	3.0	—	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19
Assoc Hosts ..... M	13.75	- .63	- 4.3	14.25	13.25	17.13	10.50	1,096	2.48	5.44	- 54.4	15.8	.12	.9	—	9 mos.	06-84	24.0	3.9	1.1	10.0	.23	4.5	71.1	9.0	3.0	30.4	.66
Beefsteak Char ..... A	2.63	- .13	- 4.5	2.75	2.38	5.00	2.38	228	.40	.60	- 33.3	2.0	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30
Bob Evans Farms ..... M	17.75	.25	1.4	17.75	17.25	23.75	14.75	783	.48	.35	37.1	17.8	.30	1.7	—	3 mos.	07-84	54.0	14.2	4.4	7.3	.27	8.0	54.0	14.2	4.4	7.3	.27
Calibre Cp ..... M	3.75	.25	7.1	3.75	3.25	9.00	3.25	39	.13	.19	- 31.6	NE	.00	.0		9 mos.	04-84	3.7	131.3	(.2)	NC	(.08)	- 100.0	10.4	121.3	(.9)	- 100.0	(.31)
Calny Food ..... M	9.13	- .13	- 1.4	9.13	9.00	10.75	7.25	980	2.17	1.74	24.7	16.0	.16	1.8	—	6 mos.	08-84	13.0	19.3	.5	.0	.12	- 7.7	25.0	14.7	1.4	40.0	.31
Capt Crab Inc ..... M	1.88	.00	.0	1.88	1.75	6.13	1.63	1,182	1.03	2.22	- 53.6	NE	.00	.0	—	9 mos.	05-84	2.6	766.7	(.5)	NC	(.04)	NC	3.7	362.5	(.6)	NC	(.05)
Carrols Cp ..... N	9.38	.25	2.7	9.50	9.00	10.88	7.13	379	.49	.69	- 29.0	14.2	.05	.5	—	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28
Chi-Chi's ..... M	10.75	- .25	- 2.3	10.88	10.00	24.88	10.00	24,216	9.00	4.67	92.7	15.4	.00	.0	—	3 mos.	07-84	45.2	27.3	5.0	38.9	.19	26.7	45.2	27.3	5.0	38.9	.19
Chilis Inc ..... O	22.88	- .13	- .5	23.00	22.13	24.25	12.75	1,542	3.43	4.43	- 22.6	38.8	.00	.0	—	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21
Churchs Fr Ch ..... N	28.38	.38	1.3	28.38	27.63	30.50	21.25	2,397	1.27	1.84	- 31.0	14.8	.80	2.8	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49
Collins Foods ..... N	14.25	- 1.34	- 8.6	15.25	13.88	16.94	9.91	685	.52	1.02	- 49.0	11.5	.16	1.1	—	3 mos.	07-84	115.1	24.3	4.8	23.1	.37	19.4	115.1	24.3	4.8	23.1	.37
Concept Dev ..... O	8.00	- .75	- 8.6	8.25	8.00	17.69	6.00	65	.13	1.92	- 93.2	15.4	.00a	.0	NEW	3 mos.	09-84	10.9	19.8	2.1	133.3	.00	- 100.0	10.9	19.8	2.1	133.3	.00
Consol Prdts ..... M	5.00	.00	.0	5.00	5.00	9.50	4.75	29	.08	.74	- 89.2	16.7	.00	.0	—	9 mos.	06-84	16.0	3.9	.3	- 40.0	.09	.0	51.4	6.4	.7	- 12.5	.19
Consul Restaurant ..... M	5.13	- .50	- 8.9	5.63	4.75	16.88	5.13	1,445	3.21	2.00	60.5	20.5	.00	.0	—	3 mos.	08-84	21.1	33.5	.0	- 100.0	.01	- 87.5	21.1	33.5	.0	- 100.0	.01
Cracker Barrel ..... M	14.00	1.50	12.0	14.50	11.75	23.50	11.75	816	2.91	5.34	- 45.5	14.3	.14	1.0	—	fiscal	07-84	17.3	21.8	1.2	20.0	.46	12.2	56.9	24.5	2.7	35.0	.98
Cucos Inc ..... O	3.75	.00	.0	4.50	3.75	5.00	3.50	34	.30	.39	- 23.1	19.7	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10
Denny's Inc ..... N	41.38	.00	.0	41.50	41.25	41.63	30.25	5,655	3.66	3.64	.5	15.6	.72	1.7	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75
Diversifoods ..... M	10.38	- .50	- 4.6	11.00	9.75	19.13	9.75	28,379	8.47	10.49	- 19.3	11.4	.26	2.5	—	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66
DLites Of Amer ..... O	14.25	.13	.9	14.38	13.25	14.38	11.50	1,154	2.36	NC	NC	NM	.00	.0		3 mos.	06-84	2.4	71.4	.0	NC	.01	- 50.0	2.4	71.4	.0	NC	.01
Dunkin Donuts ..... M	23.38	.75	3.3	23.38	22.25	26.25	18.13	331	.70	.93	- 24.7	12.8	.32	1.4	—	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44
El Chico ..... M	8.63	.00	.0	8.75	8.63	14.75	7.75	153	.33	2.05	- 83.9	10.8	.00	.0	—	3 mos.	08-84	21.1	9.9	.9	.0	.20	.0	21.1	9.9	.9	.0	.20
El Torito Rest ..... N	11.63	- .63	- 5.1	12.38	10.88	14.63	9.00	320	.29	.31	- 6.5	12.2	.00	.0	—	9 mos.	09-84	65.9	17.3	4.1	5.1	.35	40.0	189.0	20.5	9.0	32.4	.78
Fast Food Oper ..... O	1.19	- .13	- 9.5	1.25	1.19	2.69	.69	430	.73	1.03	- 29.1	19.8	.00	.0	—	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06
Flakey Jakes ..... M	7.38	- .13	- 1.7	7.38	7.13	9.13	4.00	1,026	1.47	1.84	- 20.1	NE	.00	.0	—	9 mos.	09-84	3.3	NC	(.3)	NC	(.05)	NC	6.6	NC	(.7)	NC	(.11)
Frisch's ..... A	15.25	.06	.4	15.75	15.25	16.38	12.00	43	.10	.18	- 44.4	16.9	.22	1.4	—	3 mos.	08-84	40.5	7.4	1.7	.0	.19	- 52.5	40.5	7.4	1.7	.0	.19
Fuddruckers Inc ..... M	12.75	.38	3.0	12.88	12.38	17.50	9.25	1,048	1.61	1.53	5.2	NM	.00	.0	—	6 mos.	06-84	5.4	NC	(.4)	NC	(.06)	NC	9.7	NC	(.6)	NC	(.09)
Garcias Scot ..... M	2.75	- .25	- 8.3	2.88	2.63	8.50	2.63	621	1.04	1.25	- 16.8	NE	.00	.0	—	6 mos.	06-84	12.6	40.0	.2	NE	.03	NE	29.7	57.1	.0	NE	.00
Good Taco ..... M	1.50	- .25	- 14.3	1.63	1.50	7.00	1.50	195	.80	1.36	- 41.2	NE	.00	.0		6 mos.	08-84	.3	50.0	(.3)	NE	(.11)	NE	.7	133.3	(.6)	NE	(.24)
Hambrg Hamlet ..... O	12.25	.00	.0	13.00	12.25	12.25	9.75	1	.01	.17	- 94.1	10.6	.00	.0	—	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16
Hungry Tiger ..... M	4.88	.13	2.6	4.88	4.50	9.00	4.25	136	.48	1.12	- 57.1	27.1	.00	.0	—	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18
Intl Dairy Queen ..... O	41.00	.00	.0	42.00	41.00	41.00	32.50	7	.03	.26	- 88.5	11.9	.00	.0	—	9 mos.	08-84	40.8	8.2	(26.6)	- 100.0	1.61	15.8	106.5	14.3	6.6	6.5	3.03
Intl King Tab ..... M	16.25	.50	3.2	16.25	15.75	18.63	11.38	45	.16	1.85	- 91.4	12.1	.00a	.0	—	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36
JB's Rest ..... M	14.25	.00	.0	14.25	13.88	16.25	10.38	131	.57	1.38	- 58.7	12.8	.20	1.4	—	9 mos.	06-84	22.2	32.1	1.0	25.0	.42	20.0	48.7	23.0	1.9	26.7	.80
Jerrico Inc ..... M	17.38	- .13	- .7	17.50	17.13	19.63	11.88	1,434	.91	4.77	- 80.9	13.4	.12	.7	—	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39
Kapok Cp ..... A	3.25	.75	30.0	3.25	2.63	5.88	1.13	725	3.23	2.58	25.2	NE	.00	.0	—	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)
Karcher Carl ..... M	15.75	.75	5.0	15.75	14.63	35.50	14.63	965	1.37	3.16	- 56.6	9.7	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98
Kelly-Johnston ..... M	1.75	- .63	- 26.3	2.38	1.25	16.00	1.25	10,601	12.43	2.23	457.4	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)
Luby's Cafe ..... N	29.38	- .13	- .4	29.38	28.75	32.00	23.63	149	.12	.21	- 42.9	20.5	.54	1.8	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43
Marcus Corp ..... O	14.88	.25	1.7	15.13	14.63	15.25	11.38	126	.25	.25	.0	10.3	.28	1.9	—	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55
Marriott Corp ..... N	76.13	2.13	2.9	76.75	72.13	80.25	58.50	1,671	.65	.70	- 7.1	16.8	.44	.6	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41
Maverick Rest ..... O	4.38	- .63	- 12.5	4.75	4.38	7.00	4.38	142	.29	.31	- 6.5	33.7	.00	.0	—	6 mos.	07-84	2.9	NC	.3	NC	.05	NC	5.3	NC	.5	NC	.10
McDonald's Cp ..... N	53.38	2.38	4.7	53.38	50.38	55.88	40.84	8,756	.99	1.18	- 16.1	12.5	.82	1.5	—	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36
Morrison Inc ..... M	16.88	.38	2.3	16.88	15.50	19.63	13.13	2,250	1.65	1.06	55.7	11.0	.48	2.8	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36
Mr Steak ..... O	1.25	- .25	- 16.7	1.50	1.25	3.34	1.25	622	1.30	1.21	7.4	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)
Nathans ..... O	2.38	.13	5.6	2.63	2.25	2.97	1.78	160	.72	.52	38.5	9.1	.00a	.0	—	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18
Natl Pizza ..... O	8.00	.00	.0	8.75	8.00	9.75	7.50	115	.21	.48	- 56.3	10.5	.00	.0	NEW	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41
Naugles Inc ..... M	8.00	.00	.0	8.13	7.88	20.25	7.00	142	.31	1.78	- 82.6	NE	.00	.0	—	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

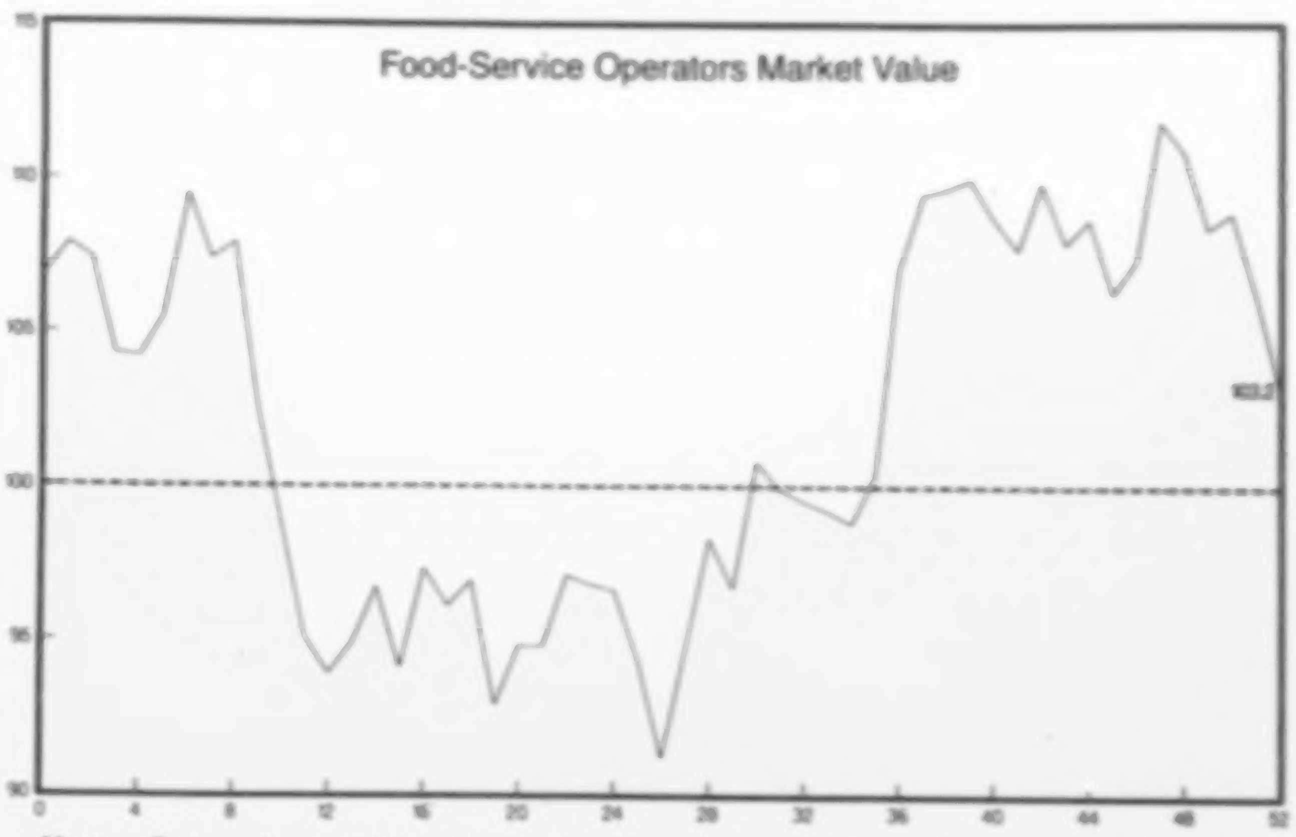
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

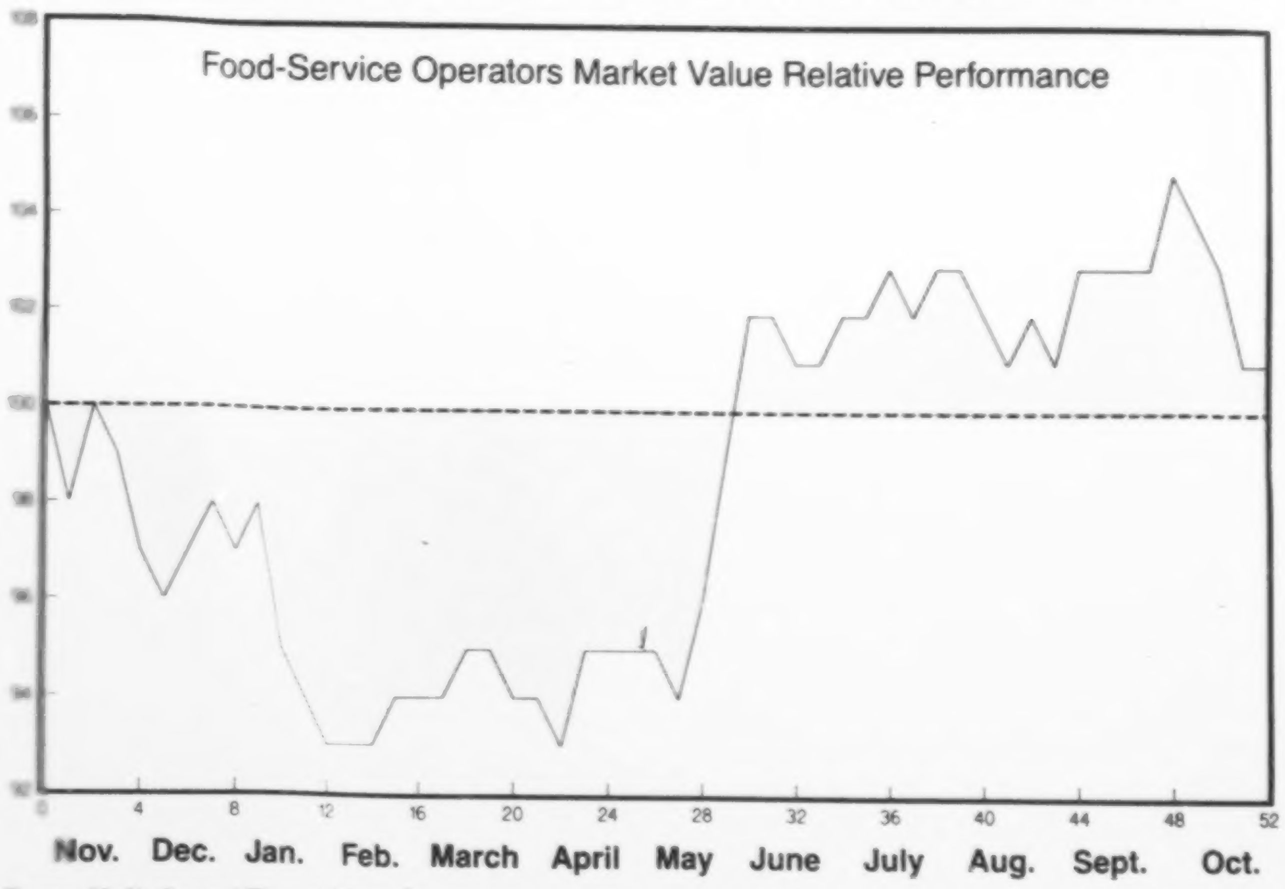
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

		Stock Market											Financial Update																	
		Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		11-23-84 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol. As % Out	Volume Trend Change				New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.
Company and Market			Amt.	Pct.	High	Low	High	Low	Total	% Out				Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.
		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$
1 Potato 2	O	3.63	- .13	- 3.3	3.75	3.63	12.50	3.63	98	.45	1.06	- 57.5	72.5	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)
Old Fashion Fd	O	5.25	.00	.0	6.00	5.25	7.25	4.75	20	.14	.36	- 61.1	9.5	.00	.0	.....	3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13
Pancho Mex Buffet	M	6.25	- .75	- 10.7	6.75	6.00	8.00	5.88	179	.63	.62	1.6	11.4	.13	2.1	NEW	fiscal	09-84	8.9	25.4	.5	.0	.19	11.8	31.7	26.3	1.5	25.0	.55
Peoples Rest	M	.75	.00	.0	0.75	0.63	8.13	.50	1,302	1.52	5.67	- 74.1	NE	.00	.0	.....	fiscal	06-84	NC	NC	(21.8)	- 100.0	(2.61)	- 100.0	32.9	57.4	(23.8)	- 100.0	(2.85)
Piccadilly Caf	M	18.75	- .25	- 1.3	19.13	18.38	24.25	13.13	280	.46	.86	- 46.5	11.6	.60	3.2	.....	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45
Pizza Inn	A	7.63	- .63	- 7.6	8.25	7.50	15.50	7.50	352	1.16	1.08	7.4	7.4	.08	1.0	NEW	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81
Po-Folks	M	11.75	- .50	- 4.1	12.00	11.63	16.63	10.25	172	.39	1.03	- 62.1	15.7	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75
Ponderosa Sys	N	13.75	.00	.0	14.25	13.38	24.88	13.13	5,172	5.39	3.65	47.7	8.0	.40	2.9	NEW	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28
Primo Inc	O	3.63	- .13	- 3.3	3.88	3.63	7.00	2.38	187	.68	1.37	- 50.4	33.0	.00	.0	.....	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06
Rax Restaurants	M	10.50	- .75	- 6.7	11.25	10.25	20.50	10.25	688	1.23	.97	26.8	16.7	.00	.0	.....	3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23
Rest Assoc	A	7.63	- .13	- 1.6	7.88	7.50	9.50	6.50	93	.33	.44	- 25.0	10.7	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35
Restaurant Sys	M	12.50	.00	.0	13.00	12.25	14.25	9.00	211	.91	.65	40.0	14.7	.00	.0	.....	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68
Ritzys G D	M	2.38	- .38	- 13.6	2.88	2.38	9.25	2.25	248	.48	.88	- 45.5	NE	.00	.0	NEW	9 mos.	09-84	4.4	NC	(.5)	NC	(.11)	NC	10.6	NC	(1.6)	NC	(.31)
Rusty Pelican	M	16.00	- 1.00	- 5.9	16.25	15.38	18.25	11.38	258	.93	2.97	- 68.7	18.8	.00	.0		fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85
Ryans Fam Steak	M	19.50	- .25	- 1.3	20.25	19.25	24.75	15.50	392	.91	1.61	- 43.5	28.3	.00	.0	.....	9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53
Saga Corp	N	31.50	- 2.00	- 6.0	33.63	31.50	35.50	24.63	1,162	.89	.95	- 6.3	12.8	.44	1.4	.....	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42
Sandwich Chef	O	8.00	.00	.0	8.50	8.00	11.75	6.75	22	.17	.59	- 71.2	13.8	.00	.0	.....	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16
Sea Galley	M	8.38	.00	.0	8.38	8.25	11.00	7.13	520	1.32	4.22	- 68.7	8.4	.00	.0	.....	9 mos.	09-84	15.7	101.3	3.0	20.0	.76	20.6	48.3	- 10.4	5.3	130.4	1.35
Shoney's Inc	M	30.25	- 1.63	- 5.1	31.75	30.13	35.13	20.00	1,241	.60	.98	- 38.8	21.9	.16	.5	.....	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06
Shoney's South	M	14.00	- .25	- 1.8	14.25	13.88	16.59	11.00	129	.23	.59	- 81.0	11.9	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00
SIS Cp	M	4.75	.00	.0	5.00	4.25	10.75	4.25	73	.47	.32	46.9	33.9	.00	.0	.....	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14
Sizzler Rest Intl	M	16.50	- .25	- 1.5	16.50	16.25	18.75	8.75	85	.13	.81	- 84.0	14.1	.00	.0	.....	fiscal	04-84	37.7	18.6	2.4	50.0	.37	54.2	142.3	11.2	7.9	36.2	1.17
Skippers	M	9.75	.13	1.3	9.88	9.50	11.50	8.00	286	1.05	.81	29.6	11.9	.06	.6	NEW	9 mos.	09-84	14.5	20.8	.5	25.0	.18	20.0	42.3	23.7	1.6	14.3	.60
So Hospitality	M	4.38	- .13	- 2.8	4.50	4.38	5.13	3.75	427	.89	1.35	- 34.1	12.9	.00	.0	.....	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08
Taco Viva	M	7.75	.00	.0	8.00	7.25	10.25	7.00	242	1.06	.81	30.9	17.6	.00	.0		3 mos.	08-84	6.6	29.4	.3	50.0	.14	40.0	6.6	29.4	.3	50.0	.14
TGI Friday's	N	9.13	.25	2.8	9.13	8.75	17.88	8.63	1,135	.99	.82	20.7	15.5	.00	.0	.....	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48
TGIF Texas	O	2.38	.00	.0	2.88	2.38	7.50	2.25	9	.06	.19	- 68.4	NE	.00	.0	.....	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)
Transworld	N	30.13	- .13	- .4	30.25	28.63	33.53	23.63	7,034	2.50	2.99	- 16.4	4.3	.40	1.3	.....	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39
USACafes	M	3.75	- .25	- 6.3	3.88	3.63	5.00	2.75	73	.14	.51	- 72.5	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants	M	15.63	1.25	8.7	15.88	13.25	22.00	13.25	2,215	3.34	3.16	5.7	13.4	.12	.8	.....	9 mos.	07-84	68.4	129.5	2.7	68.8	.41	46.4	157.4	170.4	5.8	100.0	.87
Victoria Stations	M	3.25	- .13	- 3.7	3.25	2.75	9.63	2.75	1,990	5.62	8.36	- 32.8	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)
Wendys Intl	N	17.50	.75	4.5	17.63	16.25	20.50	13.13	9,434	1.73	1.26	37.3	14.6	.28	1.6	.....	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93
Wstn Steer	O	10.25	- .50	- 4.7	11.00	10.25	13.25	9.00	94	.77	.63	22.2	11.1	.20	2.0	.....	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33
Winners Cp	N	5.63	- .38	- 6.3	6.38	5.38	16.25	5.38	4,645	10.62	2.83	275.3	11.5	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30
Hotels, Motels, and Casinos																													
Am Motor Inns	A	21.25	.13	.6	21.25	21.25	21.75	12.50	10	.01	.17	- 94.1	13.4	.16	.8	.....	fiscal	07-84	52.8	17.1	5.9	25.5	.51	- 38.6	201.1	23.8	18.4	32.4	1.59
Brock Hotel Cp	N	3.50	- .50	- 12.5	3.88	3.38	7.63	3.38	1,422	1.08	1.25	- 13.6	NE	.10	2.9		9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)
Hilton Hotels	N	55.50	1.00	1.8	55.75	54.50	59.50	45.50	565	.22	1.12	- 80.4	22.2	1.80	3.2	.....	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56
Holiday Inns	N	41.50	1.38	3.4	41.50	39.00	52.00	35.25	3,485	.97	2.13	- 54.5	12.1	.90	2.2	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00
Prime Mtr Inn	N	24.00	.88	3.8	24.25	22.50	25.50	16.00	502	.35	.43	- 18.6	20.0	.12	.5	.....	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20
Ramada Inns	N	6.00	.00	.0	6.13	5.75	11.63	5.50	2,578	.69	1.95	- 64.6	20.0	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18
Servico Inc	M	19.88	.63	3.2	20.25	19.25	24.50	13.50	88	.28	.41	- 31.7	13.6	.00a	.0	.....	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.60	- 11.8	90.2	24.8	2.8	47.4	.89
Sonesta Intl	O	19.00	.50	2.7	21.00	19.00	19.00	16.50	6	.04	.03	33.3	NE	.30	1.6	.....	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)
Other Companies with Food-Service Operations																													
Allegheny Bev	M	17.88	- .75	- 4.0	18.50	17.63	20.00	13.50	208	.35	2.05	- 82.9	11.8	.80	4.5	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10
Ch Full O Nut	N	8.50	.50	6.3	8.63	7.75	14.56	7.75	264	.57	.58	- 1.7	94.4	.48	5.6	.....	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09
Disney, Walt	N	57.13	- 1.13	- 1.9	58.00	56.25	68.50	45.25	2,880	.86	4.22	- 79.6	20.9	1.20	2.1		fiscal	09-84	463.2	27.6	12.1	- 50.6	.38	- 45.7	1656.0	26.7	97.8	4.9	2.73
Esteban Foods	O	1.75	.13	7.7	1.88	1.63	4.75	1.63	62	.26	1.23	- 78.9	NM	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)
Gen Mills	N	51.00	.75	1.5	51.13	50.00	60.00	41.63	4,810	1.06	1.02	3.9	10.9	2.24	4.4	.....	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20
Horn & Hardart	A	8.88	.00	.0	9.13	8.63	24.75	8.63	1,009	.82	2.21	- 62.9	10.3	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49
Ogden Corp	N	27.50	.63	2.3	27.75	26.50	32.50	24.13	716	.38	1.34	- 71.6	12.5	1.80	6.5	.....	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63
PepsiCo Inc	N	44.63	.38	.8	44.63	43.13	45.75	34.50	6,312	.67	1.15	- 41.7	13.0	1.68	3.8	.....	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61
Pillsbury Co	N	42.50	- .25	- .6	43.00	42.13	44.63	33.00	2,029	.47	.80	- 41.3	10.6	1.56	3.7	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90
Vie de France	M	12.25	- .13	- 1.0	12.63	12.25	15.25	10.50	447	.41	.46	- 10.9	20.8	.23	1.9	.....	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

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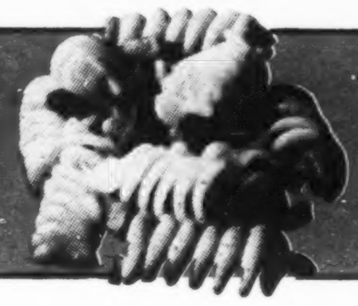

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Tax plan, slowdown confront industry

Renewed meal tax plan draws fire from lobbyists

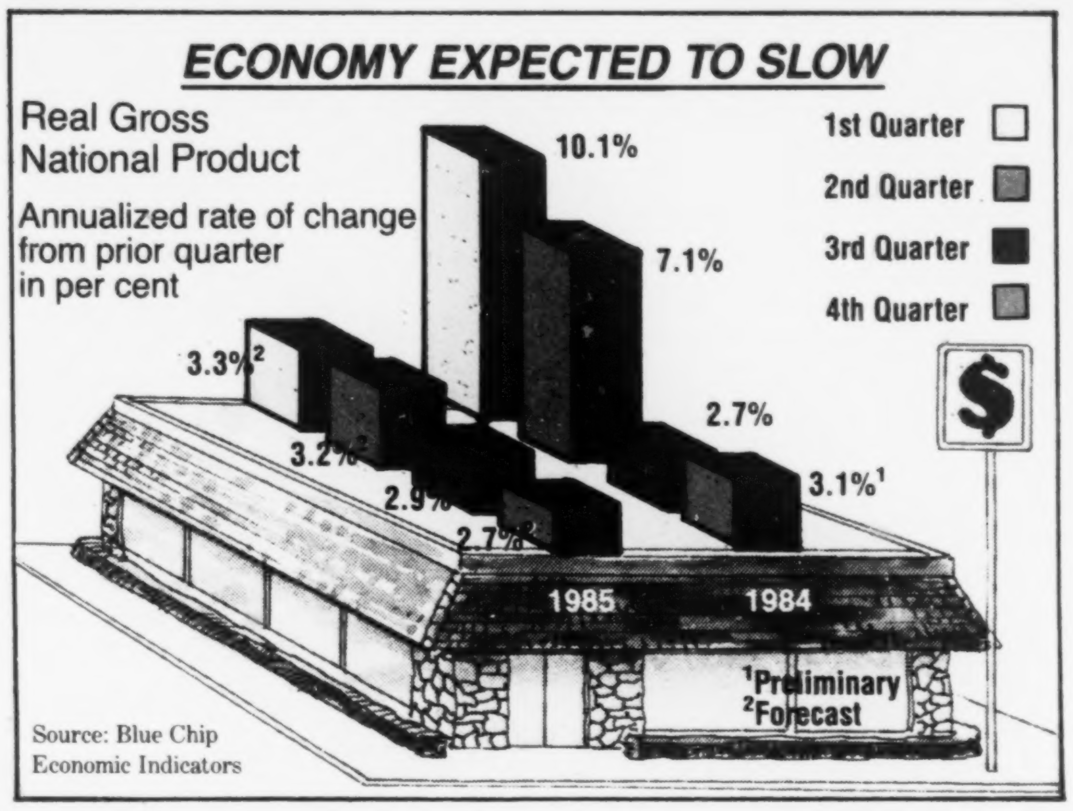
By Ken Rankin
Washington Editor

WASHINGTON — Restaurant industry lobbyists have opened fire on the Treasury Department's new plan to slice business meal tax deductions—a move they maintain will jeopardize thousands of establishments and hundreds of thousands of food-service jobs.

The plan was advanced late last month as part of Treasury Secretary Donald Regan's massive proposal to "simplify" the Federal tax system by eliminating scores of current deductions, exclusions, credits and "shelters" in return for across-the-board rate reductions.

Although the Treasury master plan would

*(See **TAX**, page 107)*



ECONOMY EXPECTED TO SLOW

Source: Blue Chip Economic Indicators

Operators review strategy as 'recession' signs grow

By Rick Telberg
Financial Editor

Still smarting from a surprise summer sales slowdown, many food-service executives are fretting over the direction of the nation's economy—a direction they fear points downward through the first half of the new year.

"We're not only heading into a recession," said Joseph Madigan, chief financial officer at Wendy's International in Dublin, Ohio. "I think we're already there."

Donald Jackson, Ponderosa Inc.'s chief financial officer in Dayton, Ohio, agrees: "Yes, we could be in a mild recession. Clearly there's been a big slowdown. We're very concerned

*(See **FUTURE**, page 107)*

High insurance rates force taverns to bite the bullet

Premiums double as liquor liability troubles proliferate

By Don Jeffrey

Passage of third-party liquor-liability state laws and the awarding of multimillion-dollar settlements in lawsuits arising from drinking-related accidents have emboldened insurance companies around the nation to more than double the premiums they charge to restaurants and taverns, according to industry sources.

And, in some states, insurance carriers are refusing to write new liquor-liability policies.

Restaurants, bars and hotels faced with these skyrocketing costs are going to have to "bite the bullet," says Minnesota Restaurant Association executive vice president Arnold J. Hewes, or else pass on the costs to customers in higher drink prices. With a national trend toward people drinking less, a move like this will only further depress profit margins.

In some states, small, independent operators, forced to choose between paying costly new premiums or operating without insurance, are talking about eliminating liquor from their menus.

Meanwhile the National Restaurant Association and a host of state associations are trying to negotiate deals with their insurance carriers to provide discounted premiums to association members who have completed the now-widespread alcohol awareness programs for bartenders and other liquor servers.

These associations are also actively lobbying state legislatures for relief from staggering settlements in third-party liquor-liability suits.

Some of the most severe conditions exist in North Carolina and Minnesota.

*(See **LIABILITY**, page 4)*

INSIDE *NRN*

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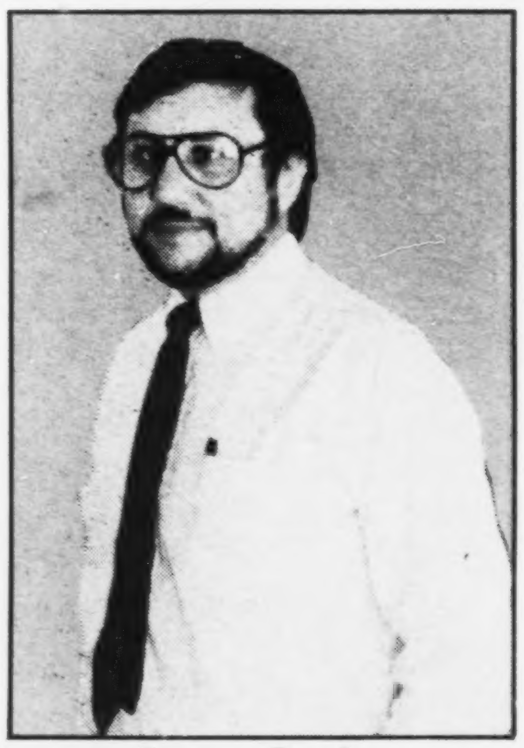
Chili's Lavine resigns; Smith named president

By Charles Bernstein

DALLAS — Larry Lavine, Chili's founder and driving force for 10 years, has resigned as president and chief operating officer to pursue his own "real estate and personal investments, business interests," and "possibly to start new restaurants." The entrepreneurial-minded Lavine is far from ready to retire at 40, but he felt it was "time to turn my chain over to the highly professional executives who can run it so well and enable me to do other things with my life."

Lavine's move is similar in philosophy to the recent resignation of San Antonio-based Fuddruckers founder, president and chief executive officer Phil Romano, who also wants to tackle new entrepreneurial challenges. Each executive would rather create and

*(See **CHILI'S**, page 101)*



Larry Lavine

Marriott vows to fight JB's lawsuit

SALT LAKE CITY — JB's Restaurants, in its lawsuit to terminate a licensing agreement with Big Boy franchisor Marriott, has charged that Marriott violated the agreement by failing to develop the Big Boy system.

If settled in JB's favor, this suit—filed last month in Federal District Court in Salt Lake City—would deal a severe blow to Marriott's 860-unit Big Boy system, still reeling from the defection of its biggest franchisee, Shoney's, earlier this year.

A spokesman for Marriott, in Bethesda, Md., said the company was "disappointed" with JB's action because it had "worked very closely" with franchisees lately to "unify the system."

Marriott has vowed to fight the suit and, at presstime, was considering several options, including a countersuit and the purchase of some of JB's Big Boy restaurants.

Meanwhile Marriott has announced the sign-

*(See **JB'S**, page 107)*

Shopping-mall version of Bakers Square due

Vicorp to launch new concept in January

By Richard Martin
West Coast Editor

DENVER — Vicorp Restaurants is launching a shopping-mall version of its Bakers Square fresh pie/coffee shop concept in existing Bakers Square markets.

A prototype of the mall concept, called A Taste of Bakers Square, will have its debut in a suburban shopping complex near Cleveland in mid-January. Four more test units are slated to follow in rapid succession, in Chicago, Milwaukee and Detroit and, by late April, in downtown Minneapolis.

A profile of top Vicorp executives Gordon Miles and Buck Frederickson appears in the Focus section.

While preparing to expand its 60-unit Bakers Square chain into 95 newly acquired Sambo's units in California, Vicorp has geared the self-serve mall concept to extract greater productivity from its existing baked goods commissaries. At the same time Vicorp would more fully tap the same customer base that now supports the full-service chain, but for lower per-unit start-up costs.

Analysts suppose that unit margins in the Bakers Square mall vehicle could range from 15% to 20%, and even higher, because of the smaller overhead of a downscaled, self-service format.

But Vicorp executives say that a 14%-18% range for store operating profit may be more realistic, in light of soaring mall rental charges. Annual sales per mall unit of $400,000 to $500,000 are projected, compared to a $1.15 million average in full-scale Bakers Squares, which have operating margins of about 20%.

Since it bought the 60 Bakers Square (formerly Poppin' Fresh) restaurants from Pillsbury last year for $38 million, Vicorp has successfully boosted annual per-store averages and operating margins from an estimated $900,000 and 18%, respectively, helping provide impetus for the company's mall spinoff aspirations.

Start-up costs of at least $200,000 per mall unit will go toward the fine wood wainscoting, etched glass, marble-topped tables and the carpeting being used to impart a "country European" ambience to the stores, which will seat from 30 to 60, depending on available space.

Vicorp expects that sales patterns in the café/bakery mall units will roughly match those of the full-scale restaurants, which generate 25% of all sales from whole pies to go, 22% from on-premise consumption of a piece of pie and a beverage, and the balance from other sit-down menu items.

An estimated average transaction figure in mall stores of under $5 would include sales from an abbreviated menu, including soups, salads, chicken pot pie, chili and one deli sandwich, called a guillotine sandwich, sold in 3-in. multiples or in 28-in. whole sandwiches.

As in Bakers Square units, A Taste of Bakers Square outlets will sell commissary-prepared, premise-baked fruit pies, French bread, danish pastries, brownies and muffins, along with cream pies completed in the commissaries.

"Studies we've done show our [existing] customers will use these units in the same way as Bakers Square restaurants," said Noel Hales, Vicorp corporate vice president responsible for mall development. The same studies Hales cited also persuaded Vicorp to avoid the fast-food connotations of the concept's original name, Bakers Square Express, and to satisfy customers' preferences for a more

*(See **VICORP**, page 101)*

COMMODITIES

Broiler production set to rise; demand strong

NRN Special Report

Poultry feed, especially soybean meal, is moderating in price, and broiler producers plan to continue the increased production that started at the beginning of the fall. Heavy supplies of soybeans and soybean products on the world market have put a damper on exports. So stocks are building as a result of this year's bumper crop.

Broiler production was up 10% to 11% in November over last year's output, and broiler raisers are projecting 12% during January and February. The increased broiler output might be expected to put pressure on pork and beef prices under normal circumstances, but these aren't normal times.

A rapidly increasing demand for processed chicken products, particularly for fast feeders and theme operators, has put upward pressure on prices of the birds despite the increased production levels. The big demand is for chicken breasts, which are bringing higher prices, both in the food-service and consumer markets. Matching that demand is the public's growing appetite for chicken nuggets.

Red Meat Supplies Remain Ample

The U.S. Department of Agriculture reported that on Nov. 1 there were 7% more cattle on feedlots than at the same period in 1983. This heavy feeder population, combined with

*(See **MEAT**, page 101)*

PRICE MOVEMENT AT A GLANCE

Cash Prices	Nov. 26, 1983	Oct. 26, 1984	Nov. 26, 1984
Apricot halves, Grade A frozen, 32-lb. tins, Calif. (lb.)	$ 0.55	$ 0.56	$ 0.53
Beans, green, Fancy cut 4s, N.Y. State (6/10)	$10.25	$10	$11.25
Beef, Choice, 700-900 lb., Midwest (lb.)	$ 0.97	$ 0.94	$ 1.01
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$ 0.6296	$ 0.5063	$ 0.5299
Cocoa, raw, Ivory Coast, metric ton, dockside N.Y.C. (lb.)	$ 1.099	$ 1.133	$ 1.071
Eggs, Grade A, large white, Chicago (doz.)	$ 0.94	$ 0.58-$0.60	$ 0.73-$0.75
Lettuce, iceberg, Calif. (24s)	$ 6	$ 5-$8	$ 3
Pepper, black, N.Y.C. (lb.)	$ 1.10	$ 1.19	$ 1.04
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$ 0.82	$ 0.83	$ 0.88
Vegetables, mixed, frozen, West Coast (lb.)	$ 0.51	$ 0.52-$0.53	$ 0.54

Source: NRN Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

New Jersey Casino Commission questions Hilton on lawyer tie

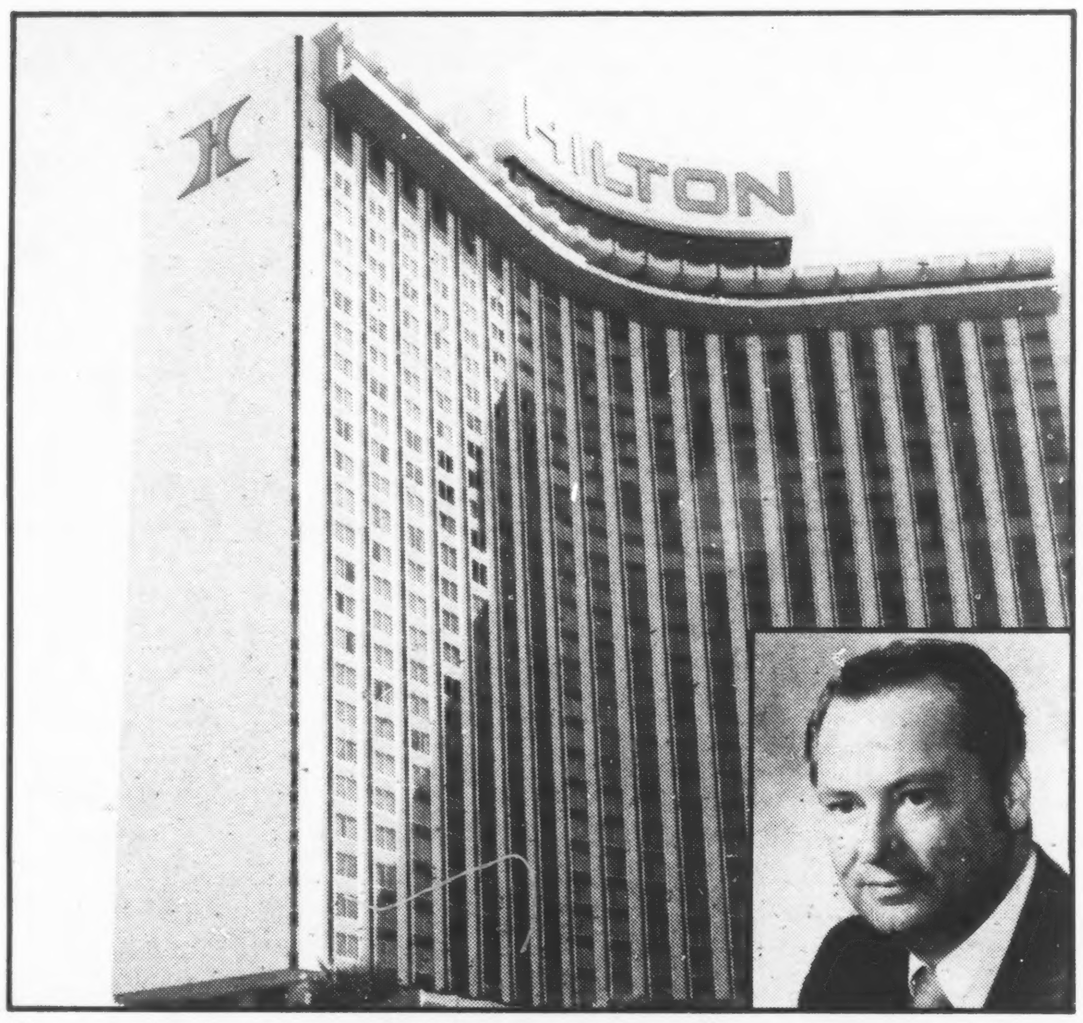
By Peter Romeo

ATLANTIC CITY — Hilton Hotels' past dealings with a lawyer allegedly linked to organized crime have come back to haunt the chain in its efforts to license a casino-hotel scheduled to open here in May 1985.

The New Jersey Casino Control Commission has been questioning Hilton officials about their decision to continue using attorney Sidney Korshak even after he was identified in the press as being a "senior adviser" to Chicago organized crime figures.

Hilton Hotels chairman Barron Hilton admitted during his testimony that, in hindsight, the chain should have severed relations with Korshak when the news reports first appeared in 1976. But an in-house investigation conducted at the time by Hilton's legal department, he pointed

*(See **HILTON**, page 101)*



Board chairman and chief executive officer Barron Hilton (inset) and one of Hilton's two Las Vegas properties.

Days Inn explores restaurant options

ATLANTA — With a new course plotted for its lodging group, Days Inns of America Inc. is calling in consultants to determine what changes may be necessary for its TastyWorld and DayBreak restaurant operations.

One of the more important questions the consultants will have to solve is whether to allow Days Inns properties to begin selling liquor. The hotels have been forbidden to do so since the chain's inception in 1971 because of the staunch religious beliefs of its founder, the late Cecil Day. Day's family, most of whom are also strict Baptists, was the chain's principal owner until its $618 million sale to Reliance Capital Group earlier this year.

Days Inns is in the process of developing more luxurious and higher-priced hotels, like its flagship Days Inn here, within the downtown areas of large cities and in suburbs—locations that seem to mandate at least one lounge.

However, the chain's franchisees warned Reliance Capital at the time of its purchase that they'd be greatly concerned about the addition of lounges within any Days Inn. As Edward Young, president of the Independent Association of Days Inns, pointed out at the time, many of the franchise group's members are also Baptists.

Though best-known as a ho-

*(See **DAYS**, page 101)*

Mellett leaves PepsiCo for Coca-Cola vp post

By Charles Bernstein

ATLANTA — Coca-Cola has lured away an archrival, Pepsi-Cola USA fountain-food service division president Edwin Mellett, as executive vice president of Coke USA here.

Bryan Dyson, Coke USA president, hailed the move as greatly strengthening Coke's management and said it would also free him for corporate strategic planning and other corporate duties as senior vice president of the parent Coca-Cola Co.

In Purchase, N.Y., Ronald Tidmore, 39, a seven-year PepsiCo veteran, moves up from Pepsi-Cola USA sales chief to succeed Mellett, who is 45 and a 12-year PepsiCo veteran. John Costello goes from marketing senior vice president to the new combined post of marketing and sales senior vice president for bottle and can operations.

Mellett has been instrumen-

*(See **PEPSI**, page 107)*

Industry-related injuries, illnesses up in 1983

WASHINGTON — Although the latest Occupational Safety and Health Administration (OSHA) figures indicate continued improvement in overall United States workplace safety since 1979, those same Labor Department statistics show a dramatic rise in job-related illnesses and injuries in the food-service industry.

Despite the "four-year trend of improvement" in job-related deaths, injuries and illnesses announced by Labor Department officials—down from 9.5 injuries and illnesses per 100 full-time workers in 1979 to 7.6 in 1983—comparable statistics on restaurants and taverns show an 11.5% increase (from 6.9 injuries and illnesses per 100 full-time workers in 1980 to 7.8 last year).

Increases were posted for injury-related lost workdays within the food-service segment of retail trade. Lost workdays in eating and drinking places climbed from 34 annual days per 100 full-time workers in 1982 to 40 in 1983—compared with private sector totals that decreased.

The 15% jump in restaurant and tavern employee injury-related lost workdays last year is part of a larger continuing trend. In 1980 food-service employees lost 29.8 workdays because of injury, and 30.4 days were lost the following year for a 25.5% overall increase from 1980 to 1983.

Although injury-related lost workdays did increase 9% overall from 1982 to 1983 for retail trade, the food-service industry posted the largest increase.

Within retail trade, food stores (up 11.4%), general merchandise stores and all other trade segments apart from auto dealers and service stations reversed the national private sector trend and posted 1982 to 1983 injury-related lost workday rises.

Restaurants and taverns also ran counter to the overall national workplace safety trend in workers injured per 100 in 1982 and 1983. Although private sector totals decreased from 7.6 workers in 1982 to 7.5 in 1983, the number of injured food-service workers rose slightly from 7.5 employees per 100 in 1982 to 7.7 last year.

Lost workday cases attributable to injuries remained static at the national level (3.4 incidents per 100 workers for 1982 and 1983), but eating and drinking places rose from 2.9 incidents in 1982 to 3 incidents last year—an increase identical to retail trade as a whole.

The incidence rate for nonfatal cases without lost workdays caused by injuries also remained static for the private sector as a whole and general retail trade. However, food-service incidents rose from 4.6 per 100 workers in 1982 to a 1983 total of 4.7.

Although many of the food-service industry's safety totals remain better than comparable figures for the private sector in general—and manufacturing industries in particular—the trend among restaurants and taverns does not mesh with Labor Department officials' claims of "achievement" in workplace safety.

"It is very gratifying that every major statistical indicator of workplace" injuries and illnesses is "at the lowest level ever recorded," OSHA head Robert A. Rowland said.

INJURY INCIDENCE RATES PER 100 RESTAURANT AND TAVERN WORKERS

Total Cases	Lost Workday Cases	Nonfatal Cases w/o Lost Wkdays	Lost Workdays
1983:7.7	3.0	4.7	40.0
1982:7.5	2.9	4.6	34.0
1981:7.2	2.7	4.5	30.4
1980:6.8	2.6	4.2	29.8

INJURY AND ILLNESS INCIDENCE RATES PER 100 RESTAURANT AND TAVERN WORKERS

Total Cases	Lost Workday Cases	Nonfatal Cases w/o Lost Wkdays	Lost Workdays
1983:7.8	3.0	4.7	40.5
1982:7.6	2.9	4.7	34.4
1981:7.3	2.8	4.5	30.7
1980:6.9	2.6	4.3	30.5

Source: U.S. Department of Labor

Vic Station has $1.65 million 2nd-qtr. loss

LARKSPUR, Calif. — Beleaguered Victoria Station continued to suffer declining same-store sales while racking up a net loss of $1.65 million for the second quarter, ended Sept. 16, compared to a net loss of $1.05 million in the same period last year. Revenue in the second quarter was $22.2 million, off nearly $880,000 from last year.

The 90-odd-unit company's quarterly shortfall brings its aggregate net loss over the last 5½ years to more than $23.7 million. Declining sales in the second quarter were blamed partly on fewer operating units than in the previous year and on the closure of two units during their conversion to a new upscale hamburger concept, Bonkers.

Company officials reported average unit volumes down "only slightly" because of higher sales in the three units so far converted into Bonkers outlets.

Victoria Station is reportedly still attempting to secure financing for additional conversions.

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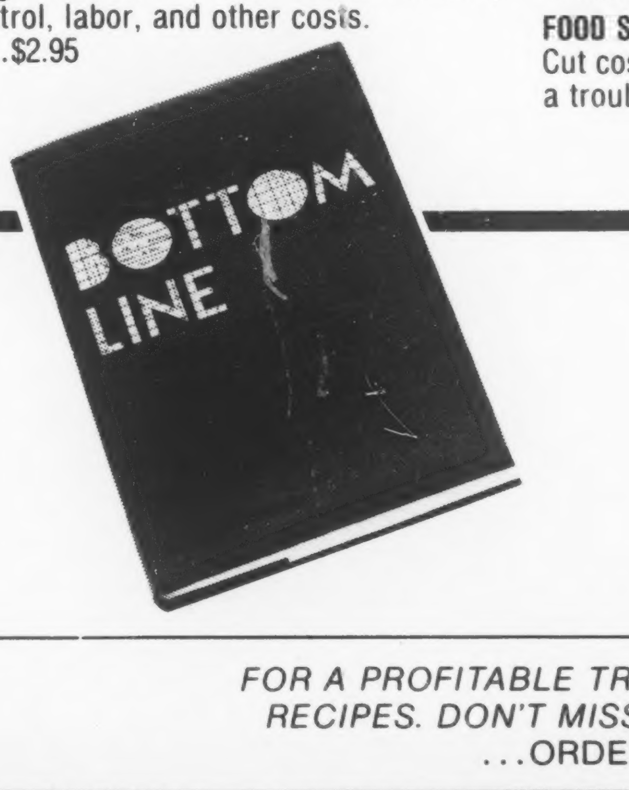

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FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Losers outnumber gainers, 65 to 19; 19 unchanged

(Continued from page 110)

On the takeover scene, Diversifoods, the subject of a $15.50-per-share management buyout, hit a new low for the second straight week but recovered all but 38¢ of its loss by week's end to close at $10.

Denny's, another management buyout candidate at $43 per share, lost 25¢, to close at $41.13.

ARA Services, whose buyout seems all but assured, hit a new high for the fifth straight week, gaining 38¢, to close at $71.13.

Restaurant Associates topped the volume trends list, with 66,300 shares trading hands, which is 288.5% higher than its 12-week average.

Kelly-Johnston, with trading 241.5% faster than average, dropped 13¢, to close at $1.63.

Leading price-percentage losers of the week were topped by Esteban Foods, down 50¢, to $1.25, a 52-week low.

The price-winners list was led by Horn & Hardart, which gained $1, to $9.88. Other winners: G. D. Ritzy's, up 25¢, to $2.63. Mr. Steak, up 13¢, to $1.38. Good Taco, up 13¢, to $1.63. Cracker Barrel, up $1, to $15. Winners Corp., up 25¢, to $5.88.

On earnings news during the week, Garcia's of Scottsdale hit a new low of $2 in intraweek trading, but recovered enough to close at $2.50, down 25¢ from the preceding Friday.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Rest Assoc	663	El Torito Rest	655
Kelly-Johnston	8,765	Denny's Inc	13,106
Shoney's South	1,020	So Hospitality	1,375
Garcias Scot	2,259	Prime Mtr Inn	1,189
Luby's Cafe	615	Hambrg Hamlet	25

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Horn & Hardart	3,553	Winners Cp	1,514
Ritzys G D	434	Pancho Mex Buffet	135
Mr Steak	386	Skippers	272
Good Taco	440	Disney, Walt	4,991
Cracker Barrel	254	Vie de France	850

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Esteban Foods	477	Concept Dev	621
Calibre Cp	81	Maverick Rest	155
Cucos Inc	52	Fuddruckers Inc	1,336
1 Potato 2	210	Flakey Jakes	1,866
Peoples Rest	1,935	Kapok Cp	946

Stock Market

Company and Market	Price: 11-30-84 Close	Price: Weekly Change Amt.	Price: Weekly Change Pct.	Price: Weekly Range High	Price: Weekly Range Low	Price: 52-Week Range High	Price: 52-Week Range Low	Volume: Weekly Shares Traded Total	Volume: Weekly Shares Traded % Out	Volume: 12-Week Avg. Vol. As % Out	Volume Trend Change
-	$	$	%	$	$	$	$	(100)	%	%	%
Food-Service Operators											
A&M Food Svcs O	3.50	- .25	- 6.7	3.88	3.50	8.75	3.50	128	.36	.34	5.9
Acapulco Rest O	4.00	.00	.0	4.13	4.00	6.00	3.88	46	.19	.41	- 53.7
Amer Rest O	3.25	- .25	- 7.1	3.50	3.25	6.00	3.25	52	.23	.57	- 59.6
ARA Services N	71.13	.38	.5	71.25	70.75	71.25	40.25	4,947	4.10	4.95	- 17.2
Assoc Hosts M	13.25	- .50	- 3.6	13.75	13.00	17.13	10.50	2,524	5.71	5.69	.4
Beefsteak Char A	2.38	- .25	- 9.5	2.63	2.38	4.75	2.38	631	1.12	.66	69.7
Bob Evans Farms M	17.50	- .25	- 1.4	17.50	17.25	23.75	14.75	675	.41	.37	10.8
Calibre Cp M	2.75	- 1.00	- 26.7	3.25	2.50	9.00	2.75	81	.27	.21	28.6
Calny Food M	8.75	- .38	- 4.1	9.13	8.75	10.75	7.25	1,476	3.26	1.82	79.1
Capt Crab M	1.75	- .13	- 6.7	2.00	1.63	6.13	1.63	2,183	1.91	2.08	- 8.2
Carrols Cp N	9.25	- .13	- 1.3	9.50	9.13	10.38	7.13	879	1.14	.71	80.6
Chi-Chi's M	10.38	- .38	- 3.5	10.75	10.13	24.88	10.00	8,198	3.05	4.48	- 31.9
Chilis Inc O	20.88	- 2.00	- 8.7	22.75	20.88	24.25	12.75	1,217	2.71	4.45	- 39.1
Churchs Fr Ch N	28.50	.13	.4	28.63	27.75	30.50	21.25	2,033	1.08	1.85	- 41.6
Collins Foods N	14.25	.00	.0	14.63	14.13	16.94	9.91	1,465	1.12	1.02	9.8
Concept Dev O	6.75	- 1.25	- 15.6	7.50	6.75	17.69	6.00	621	1.20	2.01	- 40.3
Consol Prdts M	5.00	.00	.0	5.13	5.00	9.50	4.75	80	.17	.74	- 77.0
Consul Restaurant M	4.88	- .25	- 4.9	5.13	4.63	14.88	4.75	1,168	2.59	2.05	26.3
Cracker Barrel M	15.00	1.00	7.1	15.75	14.00	23.50	11.75	254	.71	4.18	- 83.0
Cucos Inc O	3.00	- .75	- 20.0	3.75	3.00	5.00	3.00	52	.46	.41	12.2
Denny's Inc N	41.13	- .25	- .6	41.38	39.50	41.63	30.25	13,106	8.47	4.19	102.1
Diversifoods M	10.00	- .38	- 3.6	10.25	9.63	19.13	9.63	16,440	4.90	10.55	- 53.6
DLites Of Amer O	14.38	.13	.9	14.50	14.25	14.38	11.50	674	1.38	NC	NC
Dunkin Donuts M	23.75	.38	1.6	24.25	23.38	26.25	18.13	843	1.78	1.03	72.8
El Chico M	8.63	.00	.0	8.75	8.63	14.75	7.75	592	1.27	2.09	- 39.2
El Torito Rest N	11.25	- .38	- 3.2	12.25	11.13	14.63	9.00	655	.59	.28	110.7
Fast Food Oper O	1.06	- .13	- 10.5	1.13	1.00	2.44	.69	511	.86	1.06	- 18.9
Flakey Jakes M	6.38	- 1.00	- 13.6	7.38	6.00	9.13	4.00	1,866	2.68	1.91	40.3
Frisch's A	15.25	.00	.0	15.50	15.13	16.38	12.00	17	.04	.16	- 75.0
Fuddruckers Inc M	11.00	- 1.75	- 13.7	12.75	10.75	17.50	9.25	1,336	2.05	1.56	31.4
Garcias Scot M	2.50	- .25	- 9.1	2.50	2.00	8.50	2.00	2,259	3.77	1.48	154.7
Good Taco M	1.63	.13	8.3	1.75	1.38	7.00	1.38	440	1.48	1.18	25.4
Hambrg Hamlet O	12.50	.25	2.0	13.50	12.50	12.75	9.75	25	.35	.19	84.2
Hungry Tiger M	4.50	- .38	- 7.7	4.88	4.38	9.00	4.25	555	1.96	1.20	63.3
Intl Dairy Queen O	41.00	.00	.0	42.00	41.00	41.00	32.50	11	.05	.24	- 79.2
Intl King Tab M	15.75	- .50	- 3.1	16.50	15.75	18.63	11.38	429	1.51	1.92	- 21.4
JB's Rest M	14.25	.00	.0	14.50	14.13	16.25	10.38	414	1.82	1.49	22.1
Jerrico Inc M	16.25	- 1.13	- 6.5	17.50	16.13	19.63	11.88	3,460	2.20	4.82	- 54.4
Kapok Cp A	2.88	- .38	- 11.5	3.25	2.63	5.75	1.13	946	4.22	2.89	46.0
Karcher Carl M	16.00	.25	1.6	16.25	15.75	33.75	14.63	609	.86	3.06	- 71.9
Kelly-Johnston M	1.63	- .13	- 7.1	1.88	1.25	15.00	1.25	8,765	10.28	3.01	241.5
Luby's Cafe N	26.50	- 2.88	- 9.8	29.38	26.50	32.00	23.63	615	.51	.23	121.7
Marcus Corp M	14.75	- .13	- .8	14.88	14.50	15.25	11.38	126	.25	.26	- 3.8
Marriott Corp N	72.13	- 4.00	- 5.3	76.25	71.50	80.25	58.50	1,378	.54	.71	- 23.9
Maverick Rest O	3.75	- .63	- 14.3	4.38	3.75	7.00	3.75	155	.31	.32	- 3.1
McDonald's Cp N	51.50	- 1.88	- 3.5	53.50	51.00	55.88	40.84	7,834	.89	1.20	- 25.8
Morrison Inc M	16.75	- .13	- .7	16.75	16.38	19.13	13.13	789	.58	.99	- 41.4
Mr Steak O	1.38	.13	10.0	1.63	1.13	3.34	1.13	386	.81	1.21	- 33.1
Nathans O	2.38	.00	.0	2.50	2.38	2.97	1.78	165	.74	.54	37.0
Natl Pizza O	8.00	.00	.0	8.25	8.00	9.75	7.50	131	.24	.42	- 42.9
Naugles Inc M	7.63	- .38	- 4.7	8.13	7.63	20.25	7.00	264	.57	1.72	- 66.9

Financial Update

Company and Market	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue Amt.	Latest Quarter: Revenue Chg.	Latest Quarter: Net Income Amt.	Latest Quarter: Net Income Chg.	Latest Quarter: E.P.S. Amt.	Latest Quarter: E.P.S. Chg.	Year-to-Date: Revenue Amt.	Year-to-Date: Revenue Chg.	Year-to-Date: Net Income Amt.	Year-to-Date: Net Income Chg.	Year-to-Date: E.P.S. Amt.	Year-to-Date: E.P.S. Chg.
-	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																		
A&M Food Svcs O	10.0	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rest O	NE	.00	.0	—	9 mos.	07-84	19.0	86.3	.0	- 100.0	.01	- 91.7	28.3	.7	.3	NE	.14	NE
Amer Rest O	11.6	.00	.0	—	3 mos.	04-84	4.5	21.6	.1	.0	.07	16.7	4.5	21.6	.1	.0	.07	16.7
ARA Services N	13.7	2.10	3.0	—	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19	15.1
Assoc Hosts M	15.2	.12	.9	—	9 mos.	06-84	24.0	3.9	1.1	10.0	.23	4.5	71.1	9.0	3.0	30.4	.86	29.4
Beefsteak Char A	1.8	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Bob Evans Farms M	17.5	.30	1.7	—	3 mos.	07-84	54.0	14.2	4.4	7.3	.27	8.0	54.0	14.2	4.4	7.3	.27	8.0
Calibre Cp M	NE	.00	.0		fiscal	07-84	1.1	- 31.3	(.6)	NC	(.20)	- 100.0	11.5	82.5	(1.5)	- 100.0	(.51)	- 100.0
Calny Food M	15.4	.16	1.8	—	6 mos.	08-84	13.0	19.3	.5	.0	.12	- 7.7	25.0	14.7	1.4	40.0	.31	19.2
Capt Crab M	NE	.00	.0	—	9 mos.	05-84	2.6	766.7	(.5)	NC	(.04)	NC	3.7	362.5	(.6)	NC	(.05)	NC
Carrols Cp N	14.0	.07	.8	—	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28	- 6.7
Chi-Chi's M	14.8	.00	.0	—	3 mos.	07-84	45.2	27.3	5.0	38.9	.19	26.7	45.2	27.3	5.0	38.9	.19	26.7
Chilis Inc O	35.4	.00	.0	—	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch N	14.8	.80	2.8	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods N	11.5	.16	1.1	—	3 mos.	07-84	115.1	24.3	4.8	23.1	.37	19.4	115.1	24.3	4.8	23.1	.37	19.4
Concept Dev O	13.0	.00a	.0	—	3 mos.	09-84	10.9	19.8	2.1	133.3	.00	- 100.0	10.9	19.8	2.1	133.3	.00	- 100.0
Consol Prdts M	14.3	.00	.0		fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant M	19.5	.00	.0	—	3 mos.	08-84	21.1	33.5	.0	- 100.0	.01	- 87.5	21.1	33.5	.0	- 100.0	.01	- 87.5
Cracker Barrel M	16.0	.14	.9		3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc O	15.8	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc N	15.5	.72	1.8	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods M	11.0	.26	2.6	—	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer O	NM	.00	.0		6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts M	13.0	.32	1.3	—	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44	16.1
El Chico M	10.8	.00	.0	—	3 mos.	08-84	21.1	9.9	.9	.0	.20	.0	21.1	9.9	.9	.0	.20	.0
El Torito Rest N	11.8	.00	.0	—	9 mos.	09-84	65.9	17.3	4.1	5.1	.35	40.0	189.0	20.5	9.0	32.4	.78	52.9
Fast Food Oper O	17.7	.00	.0	—	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes M	NE	.00	.0	—	9 mos.	09-84	3.3	NC	(.3)	NC	(.05)	NC	6.6	NC	(.7)	NC	(.11)	NC
Frisch's A	16.9	.22	1.4	—	3 mos.	08-84	40.5	7.4	1.7	.0	.19	- 52.5	40.5	7.4	1.7	.0	.19	- 52.5
Fuddruckers Inc M	NM	.00	.0		9 mos.	09-84	7.2	NC	.6	NC	.09	NC	16.9	172.6	.0	- 100.0	.00	- 100.0
Garcias Scot M	NE	.00	.0	—	6 mos.	06-84	12.6	40.0	.2	NE	.03	NE	29.7	57.1	.0	NE	.00	NE
Good Taco M	NE	.00	.0		6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet O	10.8	.00	.0	—	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger M	25.0	.00	.0	—	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18	NC
Intl Dairy Queen O	11.9	.00	.0	—	9 mos.	08-84	40.8	8.2	(26.6)	- 100.0	1.61	15.8	106.5	14.3	6.6	6.5	3.03	20.2
Intl King Tab M	11.8	.00a	.0	—	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest M	12.8	.20	1.4	—	9 mos.	06-84	22.2	32.1	1.0	25.0	.42	20.0	48.7	23.0	1.9	26.7	.80	15.9
Jerrico Inc M	12.5	.12	.7	—	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp A	NE	.00	.0	—	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl M	9.9	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston M	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	18.5	.54	2.0	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp M	10.2	.28	1.9	—	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp N	16.0	.44	.6	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest O	28.8	.00	.0	—	6 mos.	07-84	2.9	NC	.3	NC	.05	NC	5.3	NC	.5	NC	.10	NC
McDonald's Cp N	12.1	.82	1.6	—	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc M	10.9	.48	2.9	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36	16.1
Mr Steak O	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)	- 100.0
Nathans O	9.1	.00a	.0	—	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18	63.6
Natl Pizza O	10.5	.00	.0	—	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc M	NE	.00	.0	—	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)	- 100.0

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

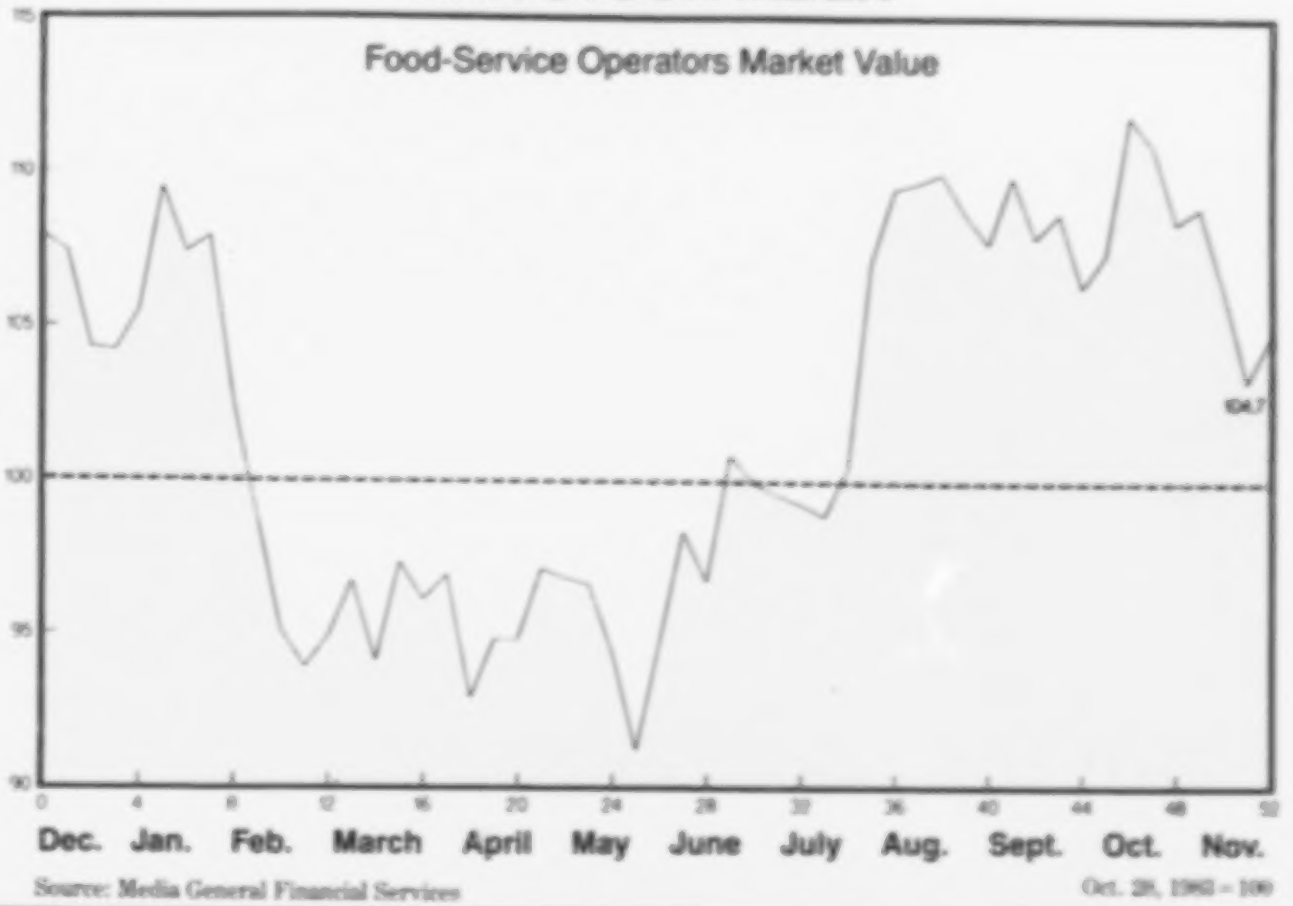
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

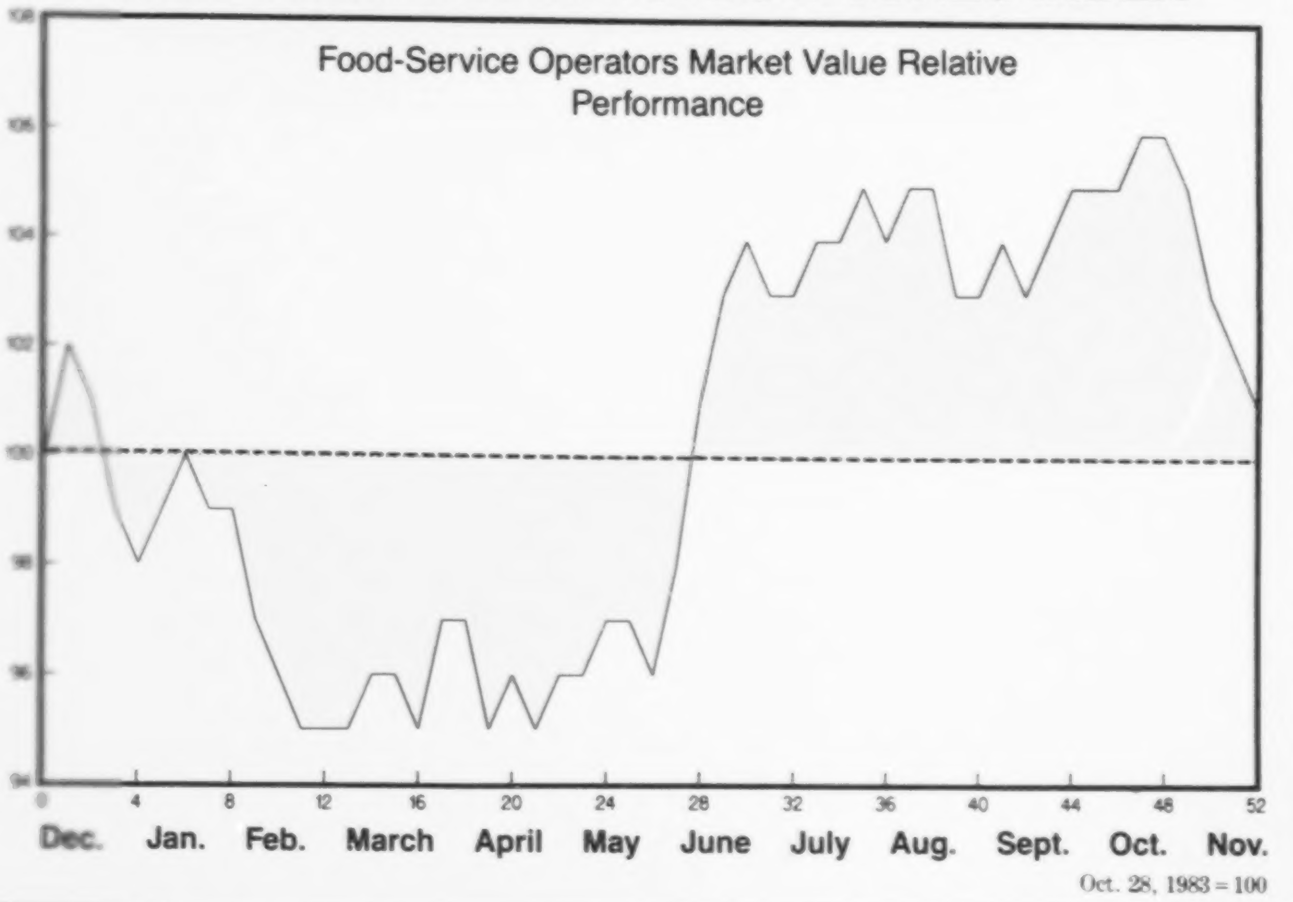
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



Oct. 28, 1983 = 100

Company and Market		Stock Market											Financial Update																	
		Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
		11-30-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
1 Potato 2	O	3.00	- .63	- 17.2	3.63	3.00	12.50	3.00	210	.96	1.04	- 7.7	60.0	.00	.0	—	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC
Old Fashion Fd	O	5.00	- .25	- 4.8	5.50	5.00	7.25	4.75	29	.21	.34	- 38.2	9.1	.00	.0	—	3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13	- 13.3
Pancho Mex Buffet	M	6.50	.25	4.0	6.50	6.25	8.00	5.88	135	.48	.64	- 25.0	11.8	.13	2.0	—	fiscal	09-84	8.9	25.4	.5	.0	.19	11.8	31.7	26.3	1.5	25.0	.55	27.9
Peoples Rest	M	.63	- .13	- 16.7	0.75	0.63	8.13	.50	1,935	2.25	5.98	- 62.4	NE	.00	.0	—	fiscal	06-84	NC	NC	(21.8)	- 100.0	(2.61)	- 100.0	32.9	57.4	(23.8)	- 100.0	(2.85)	- 100.0
Piccadily Caf	M	18.13	- .63	- 3.3	18.75	17.88	24.25	13.13	296	.49	.87	- 43.7	11.2	.60	3.3	—	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn	A	7.13	- .50	- 6.6	7.50	6.88	15.00	6.88	451	1.48	1.14	29.8	6.9	.08	1.1	—	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks	M	11.38	- .38	- 3.2	11.88	11.13	16.63	10.25	412	.93	1.07	- 13.1	15.2	.00	.0	—	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys	N	12.88	- .88	- 6.4	13.88	12.00	24.88	12.00	3,445	3.59	3.71	- 3.2	7.5	.40	3.1	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc	O	3.63	.00	.0	3.75	3.63	7.00	2.38	442	1.60	1.38	15.9	33.0	.00	.0	—	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants	M	10.25	- .25	- 2.4	10.75	10.00	19.75	10.25	1,044	1.87	1.07	74.8	16.3	.00	.0	—	3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23	35.3
Rest Assoc	A	7.63	.00	.0	8.00	7.38	9.50	6.50	663	2.37	.61	298.5	10.7	.00	.0	—	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys	M	12.50	.00	.0	12.75	11.75	14.25	9.00	83	.36	.61	- 41.0	14.7	.00	.0	—	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D	M	2.63	.25	10.5	2.63	2.38	9.00	2.25	434	.84	.92	- 8.7	NE	.00	.0	—	9 mos.	09-84	4.4	NC	(.5)	NC	(.11)	NC	10.6	NC	(1.6)	NC	(.31)	NC
Rusty Pelican	M	15.63	- .38	- 2.3	16.25	15.63	18.25	11.38	584	2.10	3.11	- 32.5	18.4	.00	.0	—	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak	M	19.25	- .25	- 1.3	19.63	19.25	24.25	15.50	870	2.02	1.44	40.3	27.9	.00	.0	—	9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53	47.2
Saga Corp	N	30.38	- 1.13	- 3.6	31.75	28.88	35.50	24.63	1,566	1.20	1.01	18.8	12.3	.44	1.4	—	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef	M	8.00	.00	.0	8.25	7.75	11.75	6.75	33	.26	.54	- 51.9	13.8	.00	.0	—	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley	M	7.75	- .63	- 7.5	8.25	7.63	11.00	7.13	1,091	2.78	4.11	- 32.4	5.2	.00	.0	NEW	9 mos.	09-84	15.7	- 38.9	3.0	500.0	.76	484.6	48.3	- 32.7	5.3	1666.7	1.35	1587.5
Shoney's Inc	M	29.63	- .63	- 2.1	30.50	29.63	35.13	20.00	811	.39	.95	- 58.9	21.5	.16	.5	—	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06	24.7
Shoney's South	M	13.75	- .25	- 1.8	14.25	13.75	16.59	11.00	1,020	1.82	.66	175.8	11.7	.00	.0	—	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.1	1.00	23.5
SIS Cp	M	4.50	- .25	- 5.3	4.50	3.50	10.00	3.50	73	.47	.35	34.3	32.1	.00	.0	—	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl	M	15.00	- 1.50	- 9.1	16.50	14.50	18.75	8.75	346	.51	.71	- 28.2	12.8	.00	.0	—	fiscal	04-84	37.7	18.6	2.4	50.0	.37	54.2	142.3	11.2	7.9	36.2	1.17	15.8
Skippers	M	10.00	.25	2.6	10.25	9.75	11.25	8.00	272	1.00	.83	20.5	12.2	.06	.6	—	9 mos.	09-84	14.5	20.8	.5	25.0	.18	20.0	42.3	23.7	1.6	14.3	.60	1.7
So Hospitality	M	4.38	.00	.0	4.63	4.38	5.13	3.75	1,375	2.87	1.50	91.3	12.9	.00	.0	—	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva	M	7.75	.00	.0	8.00	7.50	10.00	7.00	206	.90	.87	3.4	18.5	.00	.0	NEW	3 mos.	08-84	6.6	94.1	.3	50.0	.14	16.7	6.6	94.1	.3	50.0	.14	16.7
TGI Friday's	N	8.75	- .38	- 4.1	9.38	8.75	17.88	8.63	544	.48	.83	- 42.2	14.8	.00	.0	—	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas	O	2.38	.00	.0	2.75	2.38	7.50	2.25	24	.16	.19	- 15.8	NE	.00	.0	—	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)	NC
Transworld	N	30.63	.50	1.7	31.25	29.88	33.53	23.63	9,803	3.48	3.20	8.8	4.4	.40	1.3	—	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	NE
USACafes	M	3.50	- .25	- 6.7	3.88	3.50	5.00	2.75	129	.25	.45	- 44.4	NA	.00	.0	—		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants	M	15.88	.25	1.6	16.25	15.88	22.00	13.25	280	.42	2.92	- 85.6	13.3	.12	.8	NEW	9 mos.	07-84	67.7	127.9	2.7	68.8	.41	57.7	155.1	167.4	5.8	100.0	.87	64.2
Victoria Stations	M	3.13	- .13	- 3.8	3.25	3.00	9.63	2.75	407	1.15	8.33	- 86.2	NE	.00	.0	—	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl	N	17.00	- .50	- 2.9	17.88	16.75	20.50	13.13	7,010	1.29	1.27	1.6	14.2	.28	1.6	—	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer	O	10.25	.00	.0	11.00	10.25	13.25	9.00	40	.33	.48	- 31.3	11.1	.20	2.0	—	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33	- 23.3
Winners Cp	N	5.88	.25	4.4	6.25	5.63	16.25	5.38	1,514	3.46	2.99	15.7	12.0	.00	.0	—	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																														
Am Motor Inns	A	21.25	.00	.0	21.38	21.25	21.75	12.50	139	.12	.13	- 7.7	13.4	.16	.8	—	fiscal	07-84	52.8	17.1	5.9	25.5	.51	- 38.6	201.1	23.8	18.4	32.4	1.59	- 36.9
Brock Hotel Cp	N	3.25	- .25	- 7.1	3.50	3.00	7.63	3.00	1,701	1.29	1.33	- 3.0	NE	.10	3.1	—	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels	N	54.50	- 1.00	- 1.8	55.63	54.50	59.25	45.50	1,620	.62	.95	- 34.7	21.8	1.80	3.3	—	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns	N	40.88	- .63	- 1.5	42.63	40.38	52.00	35.25	3,480	.97	2.02	- 52.0	12.0	.90	2.2	—	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn	N	23.63	- .38	- 1.6	24.38	23.38	25.50	16.00	1,189	.82	.43	90.7	19.7	.12	.5	—	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns	N	5.75	- .25	- 4.2	6.13	5.38	11.00	5.38	6,545	1.76	1.91	- 7.9	19.2	.00	.0	—	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc	M	18.50	- 1.38	- 6.9	19.88	18.50	24.50	13.50	27	.09	.30	- 70.0	12.7	.00a	.0	—	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.60	- 11.8	90.2	24.8	2.8	47.4	.89	43.5
Sonesta Intl	O	19.00	.00	.0	21.00	19.00	19.00	16.50	9	.06	.04	50.0	NE	.30	1.6	—	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)	- 100.0
Other Companies with Food-Service Operations																														
Allegheny Bev	M	16.75	- 1.13	- 6.3	17.38	16.75	20.00	13.50	340	.57	2.05	- 72.2	11.0	.80	4.8	—	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut	N	8.63	.13	1.5	8.75	8.38	14.56	7.75	377	.82	.62	32.3	95.8	.48	5.6	—	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09	- 89.7
Disney, Walt	N	58.63	1.50	2.6	59.50	57.13	68.50	45.25	4,991	1.48	4.14	- 64.3	21.5	1.20	2.0	—	fiscal	09-84	463.2	27.6	12.1	- 50.6	.38	- 45.7	1656.0	26.7	97.8	4.9	2.73	1.1
Esteban Foods	O	1.25	- .50	- 28.6	1.75	1.25	4.75	1.25	477	2.04	1.37	48.9	NM	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills	N	50.00	- 1.00	- 2.0	51.25	49.75	60.00	41.63	2,707	.60	1.03	- 41.7	10.7	2.24	4.5	—	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20	- 21.1
Horn & Hardart	A	9.88	1.00	11.3	10.63	8.63	23.31	8.63	3,553	2.87	2.34	22.6	11.5	.00a	.0	—	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp	N	27.38	- .13	- .5	27.88	27.00	31.38	24.13	1,132	.60	1.23	- 51.2	12.4	1.80	6.6	—	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc	N	43.13	- 1.50	- 3.4	45.00	42.88	45.75	34.50	10,116	1.08	1.13	- 4.4	12.6	1.68	3.9	—	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co	N	40.25	- 2.25	- 5.3	42.50	39.75	44.63	33.00	2,209	.51	.78	- 34.6	10.0	1.56	3.9	—	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France	M	12.50	.25	2.0	12.50	12.00	15.25	10.50	850	.79	.49	61.2	21.2	.23	1.8	—	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

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Nation's
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Tiny burgers, huge volume

White Castle store sales top the giants

By Paul Frumkin

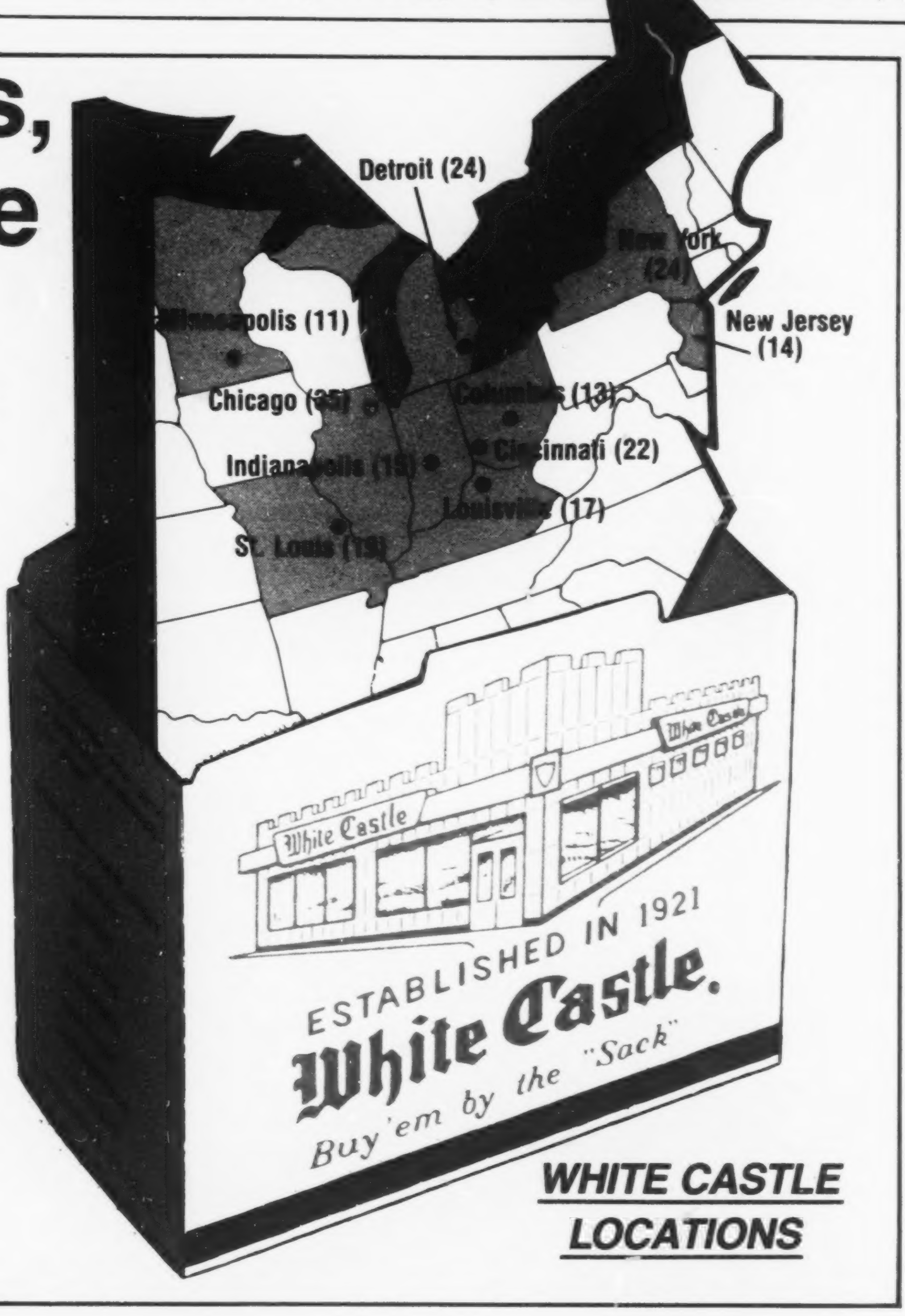
COLUMBUS, Ohio — With average store sales hitting the $1.3 million mark in 1984, seminal fast-feeder White Castle continues to outperform far larger and better-known competitors by simply doing what it has done for the past 63 years—selling low-cost, no-frills hamburgers.

But the fact that its pared-down menu hasn't changed appreciably in six decades doesn't mean that the privately held chain is treading water. In addition to an ongoing schedule of unit renovation, White Castle has embarked on a program of accelerated expansion that should result in the opening of its first restaurant west of the Mississippi by late next year.

White Castle, which operates only 194 units in the Midwest and Northeast, is all but dwarfed by rival fast-feeders McDonald's and Burger King. Yet White Castle leads the pack in average store sales: McD will do a little better than $1.2 million a unit this year, while Burger King's stores will bring in about $1 million each.

One reason for White Castle's remarkable track record is its distinctive, 2-oz. square burger—known affectionately to its fans as a "slider." "You don't go to a White Castle because of the atmosphere or broad menu selection," said E. W. Ingram III, president

*(See **WHITE CASTLE**, page 9)*



WHITE CASTLE LOCATIONS

Reagan cutbacks could close S.B.A.

Restaurateurs, franchisees fear loss of low-cost loans

By Ken Rankin

Nutritional programs, food inspection and service programs would be sharply cut.

WASHINGTON — The Reagan Administration's proposal to trim the Federal budget by eliminating the Small Business Administration (SBA)—a move that would choke off a key source of Federally subsidized loans and loan guarantees for fledgling restaurants and other small businesses—is causing concern among independent operators and franchisees.

In addition in wiping out the S.B.A., the tentative plan also would sharply cut back Government spending for nutritional programs and reduce existing Agriculture Department food inspection and service programs. The Administration is trying to slice the budget by $34 billion next year.

Under the plan, existing S.B.A. loans to independent restaurateurs and fast-food franchisees would not be recalled, but the loans would be sold off to commercial lenders and other non-Government institutions. This would reduce the Federal budget by an estimated $1.6 billion.

Officials at both the Food Service and Lodging Institute and the International Franchise Association said that elimination of the S.B.A. would hurt efforts by fast-food chains to secure affordable financing for incoming franchisees. But neither group expects serious industry opposition to the Administration's budget.

*(See **S.B.A.**, page 129)*

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Strike ends

Most San Francisco workers return to their jobs

By Richard Martin
West Coast Editor

SAN FRANCISCO — Picket-line strife and confrontation have subsided outside dozens of San Francisco's best-known restaurants following settlement of a bitter 13-week-old strike by culinary workers.

Seen as a victory for restaurant owners and a stinging defeat for the city's largest union, the accord gives owners nearly all the major contract concessions they had sought, including a temporary wage freeze and tighter health benefit eligibility.

All 1,200 strikers will re-

*(See **STRIKE**, page 129)*

ON STRIKE AT GHIRARDELLI CHOCOLATE
STRIKE

Deborah Frahat leads picket line in front of Ghirardelli Chocolate during height of 13-week-long strike.

SEASON'S GREETINGS
from the staff of *Nation's Restaurant News*

The next issue of *Nation's Restaurant News* will appear on Jan. 2. Happy New Year!

Druther's pushing for full-scale turnaround

By Don Jeffrey

LOUISVILLE, Ky. — Druthers, the 161-unit regional fast-food chain that was on the brink of a Chapter 11 filing just over two years ago, has turned around: Profit and store sales are up, debt is down and franchisees are confident.

Though all signs are pointing up, the Louisville-based chain—formerly called Burger Queen—still primarily operates in markets that have suffered the most severe economic and weather conditions of any in the nation.

But sources believe that its successful penetration of small-town markets, its relatively low fixed costs and its varied fast-food menu will bolster its chances to survive further general economic setbacks.

A conservative, though youthful, closely held private corporation, Druthers remains cautious about chain growth. Unit development has virtually been at a standstill; new openings are offset by store closings. Restaurants are concentrated in a seven-state Midwestern-Appalachian region, with 70% in Kentucky. Fifty are company-owned, 11 franchised.

Unit growth is projected at 15% next year—about 25 new openings (17 franchised).

This year Druthers has severed its international connection and put foreign growth on hold. It sold its 15 Huckleberry's restaurants in Britain to their licensee-operator, the British conglomerate Grand Metropolitan, for an undisclosed sum. Expansion in other nations, attempted in the 1970's, did not work out.

For the fiscal year ended Oct. 31, Druthers reported systemwide sales of about $100 million, not including the British units. Company revenue was $35.1 million, compared to an annualized $29.1 million in 1983. Net profit was up 22%, to $2.8 million. Average store sales rose 9.6%, from $573,000 to $630,000. There was no menu price increase.

The debt/equity ratio, meanwhile, was reduced from about 10.5/1 to about 6.5/1, as Druthers paid off more than $4 million in debt.

"We've won the right to get back in the game in good shape," said 37-year-old president and chief executive Thomas Hensley. "The challenge now is for our people to show the same kind of commitment to developing the chain as they had in saving the chain."

Franchisees report confidence in the direction from corporate headquarters. Several years ago a dissident franchisee group apparently forced management to open up closed lines of communication. Good relations are the rule now. One franchisee said, "There's not much smoke in Mr. Hensley. He's a square businessman."

Credit is also given to chairman Bob Gatewood, 35, and

*(See **UP**, page 129)*

"The challenge now," says Thomas Hensley (above), "is for our people to show the same kind of commitment to developing the chain as they had saving the chain."

Consumer group tells F.D.A. it backs NRA sulfite ban

By Judith Packer
Washington Bureau

WASHINGTON — In testimony presented before a Food and Drug Administration (F.D.A.) scientific review panel in late November, consumer activists supported the National Restaurant Association's (NRA) proposal to restrict the food-service industry's use of sulfites as food preservatives.

Although Michael F. Jacobson, executive director of the Center for Science in the Public Interest (CSPI), said his consumer group agreed totally with the NRA on imposing a partial ban of sulfites in salad ingredients and precut potatoes, he explained that CSPI's broader basic position seeks to "outlaw all unnecessary uses of sulfites," including their use in packaged foods and drugs.

In an open meeting to re-examine the "Generally Recognized as Safe" (GRAS) status of sulfites, Jacobson testified that "the most dangerous use of sulfites is in restaurant food because [they] can be added directly to the food immediately before consumption under conditions that may not be well controlled."

The CSPI testimony that current use of the food fresheners poses hazards to nonasthmatics as well as to "substantial numbers of asthmatics" contradicts the ad hoc panel's tentative report published in October.

In that report the Life Sciences Research Office of the Federation of American Societies for Experimental Biology (FASEB) concluded that no current information demonstrates that sulfites are hazardous to the general public. Pending further studies, the FASEB panel recommended the labeling that the NRA and the CSPI contested.

Although the CSPI expressed serious concern over sulfite use by the food-service industry, Jacobson agreed with the NRA that "labeling cannot adequately protect the public." Instead, the CSPI urged the review panel to "send a clear signal to the F.D.A. that sulfites should be banned."

Jacobson underscored the many possible problems if the F.D.A. were to enforce the labeling of sulfites.

"The labeling of restaurant foods cannot be ensured because the F.D.A. has a significant jurisdictional problem when it comes to regulating such food," Jacobson said, adding that F.D.A. officials are themselves divided over whether a labeling requirement should extend to restaurant meals or should apply only to packaged food.

Aside from jurisdictional problems, Jacobson said that the F.D.A. is "faced with the impossible task of overseeing compliance with a mandatory labeling rule for restaurants.

"With more than 500,000 restaurants and other retail food operations in existence, the F.D.A. lacks the resources to ensure that the food industry will comply with such a rule," Jacobson said.

The CSPI also found it likely that restaurant labeling, even if enforced initially, is ultimately likely to fall into disuse.

In addition, the CSPI testified that "restaurants may purchase unlabeled sulfite-treated foods from wholesalers.

"If the restaurant does not know it is serving sulfite-treated foods, it cannot possibly alert patrons," Jacobson noted.

The CSPI also asserted that FASEB's reliance on the labeling of restaurant and packaged foods is inadequate because "many people are unaware that they are sulfite-sensitive."

*(See **SULFITE**, page 129)*

COMMODITIES

Changes in farm subsidies must be made slowly

By Gary S. Friedman
Commodities Analyst

There has been a lot of discussion lately concerning China's radical departure down the path of free market initiatives. During the Cultural Revolution, such talk would have branded the speaker a "capitalist running dog," worthy of contempt and likely to be dealt with severely. However, the tremendous productivity of China's farmers, brought about by a free market approach, has convinced policy planners to implement the free market approach in other sectors of the Chinese economy.

Oddly enough, here in the United States our agricultural sectors suffer from a variety of problems, too much productivity being one of them. The result is that commodity surplus is building on surplus, and commodity prices are at very low levels. For example, a bushel of soybeans, worth just under $10 in 1974, is worth only about $6 today. Compare this with the price of farm equipment, today approximately equaling the cost of a house in a Northeastern suburb.

All of this is occurring under a system of price supports enacted during the Great Depression that can hardly be said to conform to a free market approach.

In 1985 all of this might change as the old Agricultural Law expires and a new one must be drafted. The Reagan Administration, facing pressure to reduce the budget deficit, is looking in ways seldom perceived possible to cut spending. The farm programs, once a sacred cow, are being scrutinized.

Those who favor dismantling these price supports come from all camps. Budget-conscious bureaucrats, disenchanted producers who can't see prices improving under the present system and the general public—realizing that Government need not be as pervasive in its reach—are waiting and watching.

The price support system, comprised of complicated loan rates and reserves, if triggered, can flood the market with commodities or turn the flow into a trickle. In effect, there was a floor beneath which it was unlikely prices would fall.

The farmers of America, although not entirely organized, would react to the same farm programs and refuse to sell in unison, until tax time, or until seeding bills came due, or until harvest storage considerations forced them to sell cash commodities. Analysis was somewhat cyclical if it could not be predictable.

Futures trading serves many purposes. One of them is that of a price-finding mechanism, to peg perceptions of future events as they have a bearing on supply and demand. To meet analysts, who have used price supports as the boundaries in which cash prices can move—and hence the futures, too—the prospect of no supports and no loan rates would make forecasting price movements even more slippery. Without such supports, anything can happen. Prices could swing so quickly that fortunes would be made or lost while you executed a trade with your broker.

With the proposal of such a radical change to a system that has been in existence as long as most of us can recall, changes will have to be undertaken step by step. If the system is dismantled, most expect lower prices in the short run. The producer will feel the pain first. The market will have more time to adjust, and its freedom of movement might become the determinant of prices.

PRICE MOVEMENT AT A GLANCE

Cash Prices	Dec. 5, 1984	Year ago
Broilers, dressed, N.Y.C., lb.	$0.4803	$0.5681
Butter, AA, Chicago, lb.	$1.5975	$1.41
Eggs, large, white, Chicago, doz.	$0.69-$0.71	$0.94
Flour, HRW, K.C., cwt.	$9.85	$9.30
Peanut oil, crude, Southeast, lb.	$0.42	$0.50
Pepper, black, N.Y.C., lb.	$1	$1.07
Sugar, beet, ref., Chicago, lb., f.o.b.	$0.3150	$0.3110

Source: NRN Research

White Castle: Only the burgers remain small

(Continued from page 1)

and chief executive and son of the chairman, in a recent interview.

The meat patties, which are about 25% fat and 75% good quality lean—preferably chuck—are grill-steamed and served on a square bun, and topped by a portion of rehydrated onions. Both bun and onions are steamed along with the patty.

"It's really an acquired taste," notes Robert Corea, vice president of research and restaurant analyst for the Ohio Co., a Columbus-based brokerage house. "But it has a real cult following."

Though White Castles reputedly attract lower- to moderate-income customers, Corea points out that "here in Columbus it's a very upscale thing to have a cocktail party and serve 'sliders' as hors d'oeuvres."

Because of the burgers' tiny size—patty, onions and bun weigh 2.025 oz. after cooking—people tend to gobble three, four or five at a sitting. In fact, when the first White Castle opened in Wichita, Kan., in 1921, newspaper ads urged consumers to "Buy 'em by the sack."

But with an average price tag of only 28¢ each, the bill rarely gets out of hand. The chainwide check average currently stands at $2.51 per person—Burger King has a check average (excluding breakfast) of about $3, and McDonald's $3.15—which is another compelling argument for White Castle's outstanding performance in the segment.

According to White Castle spokesman Gail Turley, the chain is quite resistant to price increases. The cost of the basic burger has gone up by only 2¢ since 1982.

"We've also refused to follow the lead of the larger chains by adding super-deluxe sandwiches to increase our check average," he adds.

To some extent, however, White Castle did choose to follow the lead of the other chains when it came to renovation and upscaling of restaurants. As the company broadened its site-selection horizons, moving from the somewhat seedy inner-city locations out onto the interstate highways and into smaller towns, it began to experiment with more contemporary designs.

At one point a unit that replaced the famous white porcelain/steel exterior with a very suburban-looking cedar wood and cement block facade was tested. However, hardcore White Castle customers—whom Turley characterizes as a fairly vocal bunch—protested. One journalist, he says, even went so far as to write an article in which he accused the company of "messing with my childhood."

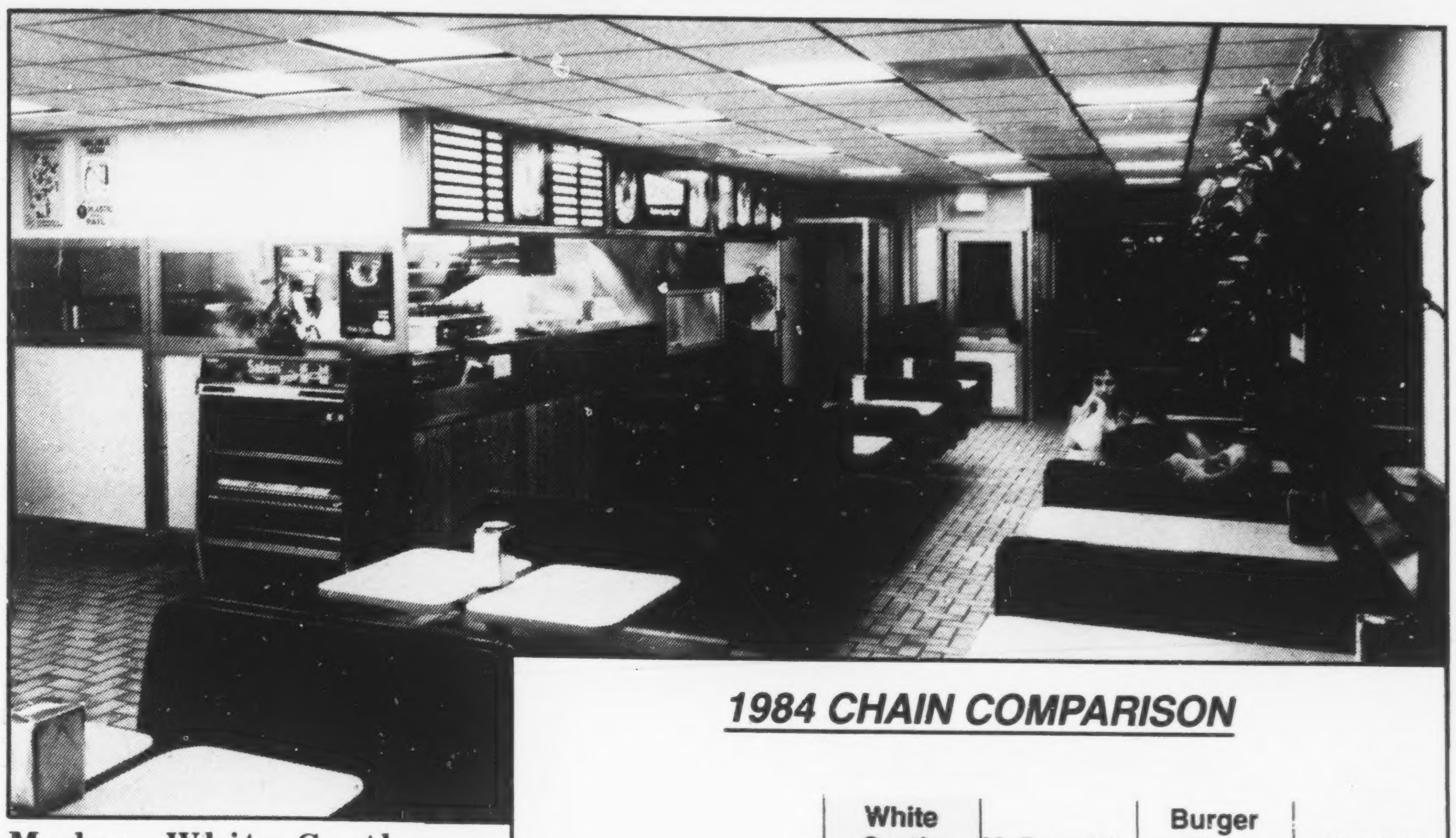
Interior renovation, however, is an ongoing project for the chain, into which a large portion of its revenue has been pumped—at least until recently. New restaurants, in addition to renovated older units, are more family-oriented, with earth-toned vinyl wall coverings, wood veneer tables and booths and even plants. "We are changing our image somewhat," Turley says. "We're softening—shifting away from the austerity of the porcelain palaces."

With much of the renovation work behind it, White Castle is beginning to apply its revenues—$238 million in 1984—to chainwide expansion. With the majority of its units operating in the Midwest and Northeast, the burger chain has plotted a course calling for 40 new units to be added through 1986, and 25 each year after that through at least 1988.

While most of the new units will be positioned in existing markets, new areas of penetration have also been mapped out—particularly in Kansas City, Nashville and Cleveland.

"We're looking seriously at those cities right now," Turley says. "And we'll probably have a unit in place in Kansas City by the end of 1985."

Moreover, White Castle is drawing away from its traditional inner-city marketplaces. "Approximately 75% of the new locations we've chosen during the past three years have been away from the center of cities," Turley explains. The chain has even built one in-store unit in a Modell's in East Meadow, N.Y.



Modern White Castle.

1984 CHAIN COMPARISON

	White Castle	McDonald's	Burger King	Wendy's
Number of Units	194	8,278	4,200	2,948
Systemwide Sales	$238 mil.	$9.5 bil.	$4.1 bil.	$2.5 bil.
Average Same-store Sales	$1.3 mil.	$1.23 mil.	$1.04 mil.	$911,000

However, while the company is forging ahead, it did suffer a setback in an earlier attempt at overseas expansion. White Castle uncharacteristically agreed to franchise restaurants in Hong Kong several years ago, but quickly discovered that the franchisees "were not restaurant people" and it broke off the agreement. It is currently negotiating with another group for franchise expansion in Asia, Turley says.

But with or without franchisees, White Castle is on the move. Besides the 20 new units added last year, White Castle recently completed construction on a $7 million bakery—its third—in Rensselaer, Ind., as well as a new meat-processing plant in Orleans, Ind. Responsible for producing nothing but hamburgers and buns for the chain, both projects will help fuel faster growth, according to Turley.

One reason cited for the current expansion is simply the timing. Edgar Ingram, current chairman and the son of founder E. W. "Billy" Ingram, chose to concentrate the company's resources on building a strong distribution system during his tenure as president. "For years we had small inadequate offices and warehouses," Turley explains. "He built the bakeries and a new headquarters in Columbus. He essentially laid a foundation."

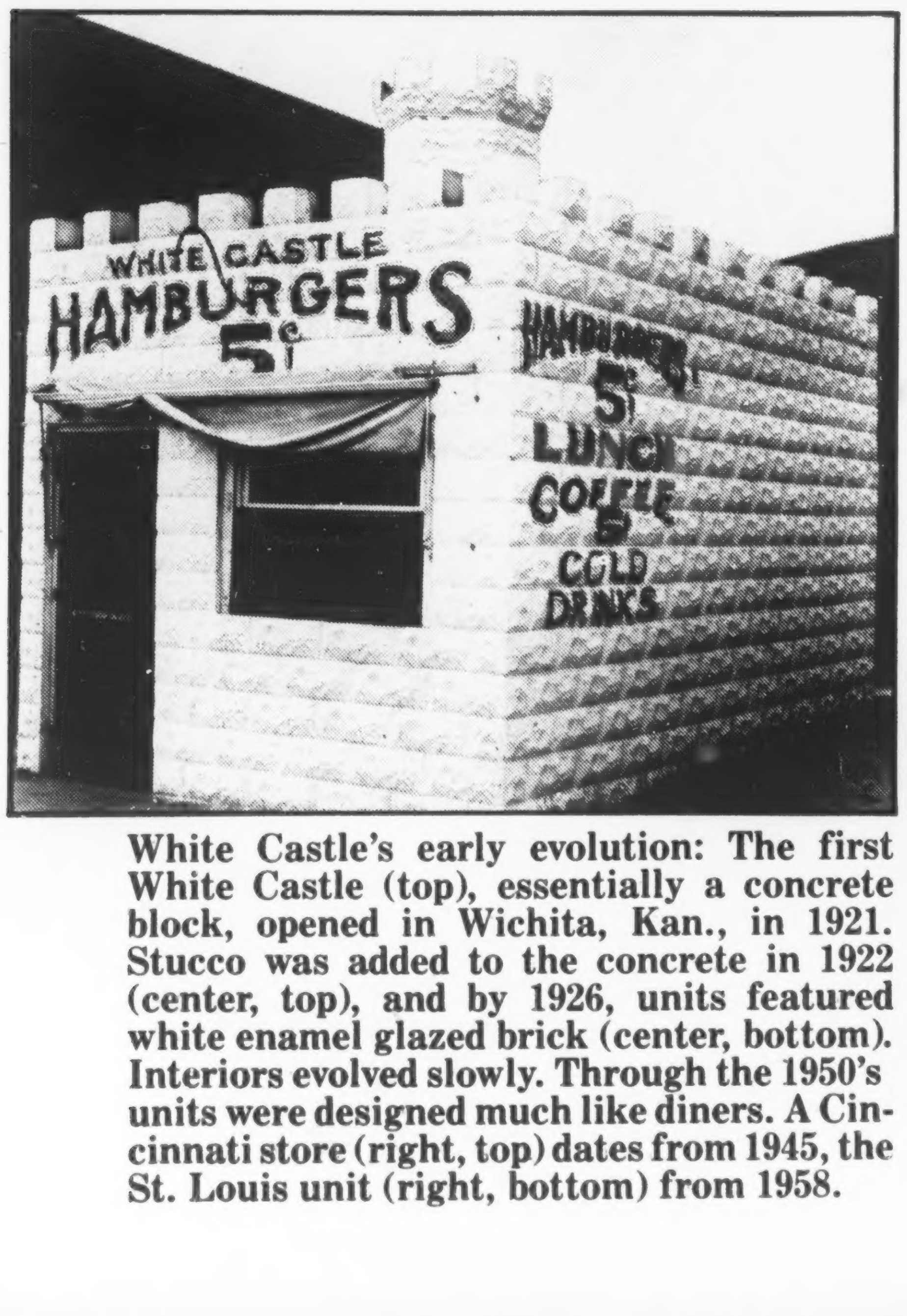
His son and current chain president and chief executive officer, E. W. Ingram III—termed somewhat more aggressive and less financially conservative than his father—inherited that strong foundation when he took the reins in 1979, and consequently was able to concentrate on unit growth.

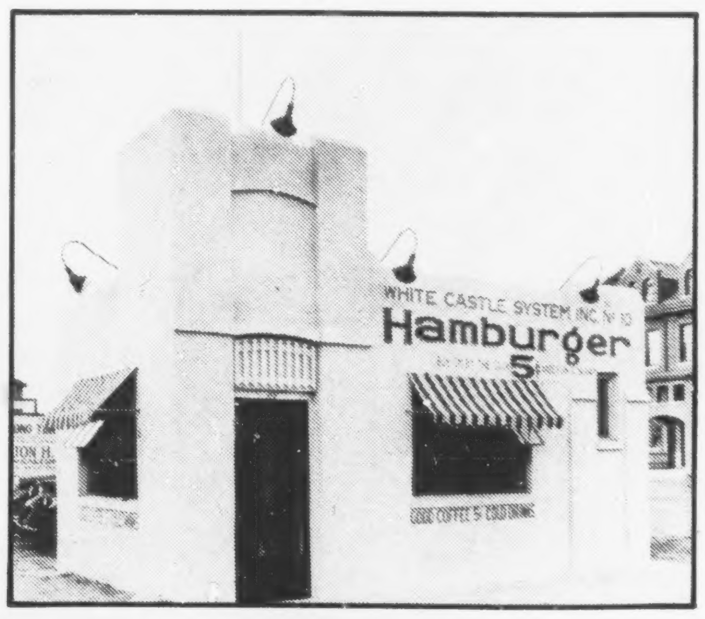
Another reason given for the chain's expansion drive is its policy of rewarding its employees and encouraging long-term service. All White Castle unit managers are promoted up through the ranks rather than hired from without. "We have a lot of excellent career employees, and if we don't have places to promote them into, they'll leave," Turley says.

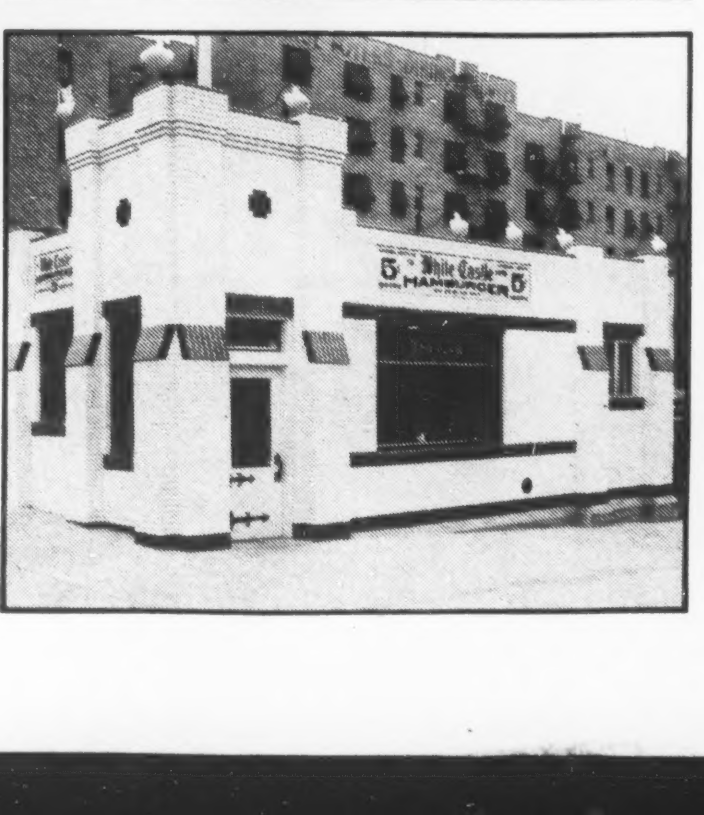
But despite all of the movement within White Castle, the menu remains reasonably similar to the one "Billy" Ingram implemented in the first unit in 1921. In fact, the largest chainwide rollout in recent years was diet sodas in the 1970's, and before that a deep-fried fish sandwich in 1963.

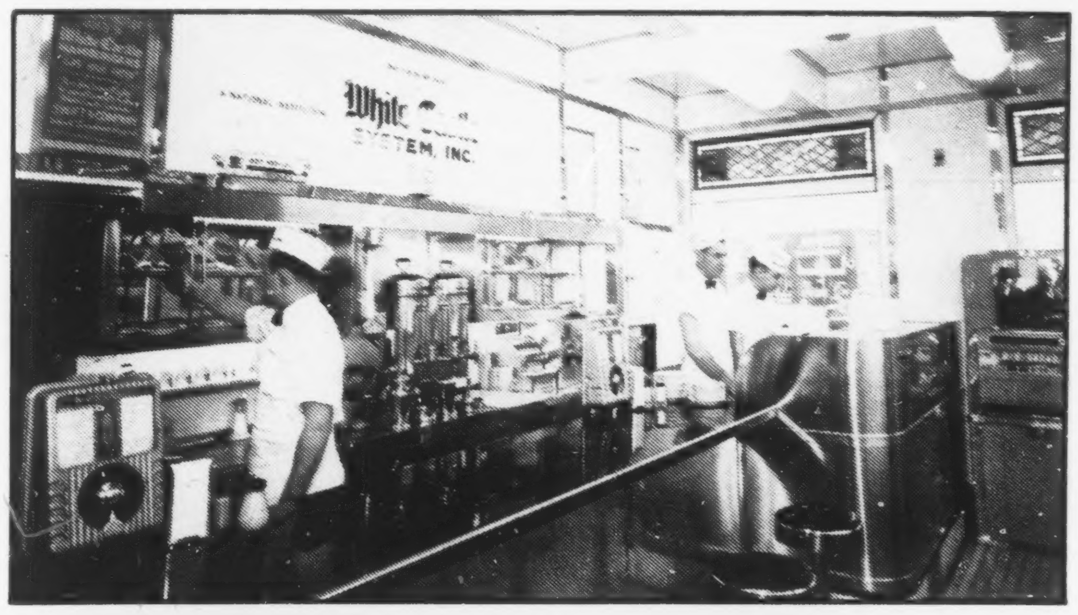
A lightly breaded chicken sandwich is available for 59¢ in the 13 Columbus stores, and a similar turkey sandwich is on the menus in Cincinnati and Minneapolis units. There is even a breakfast sandwich—a deep-fried sausage patty, with scrambled eggs and a slice of cheese served on a standard White Castle bun—in test at a few Columbus stores.

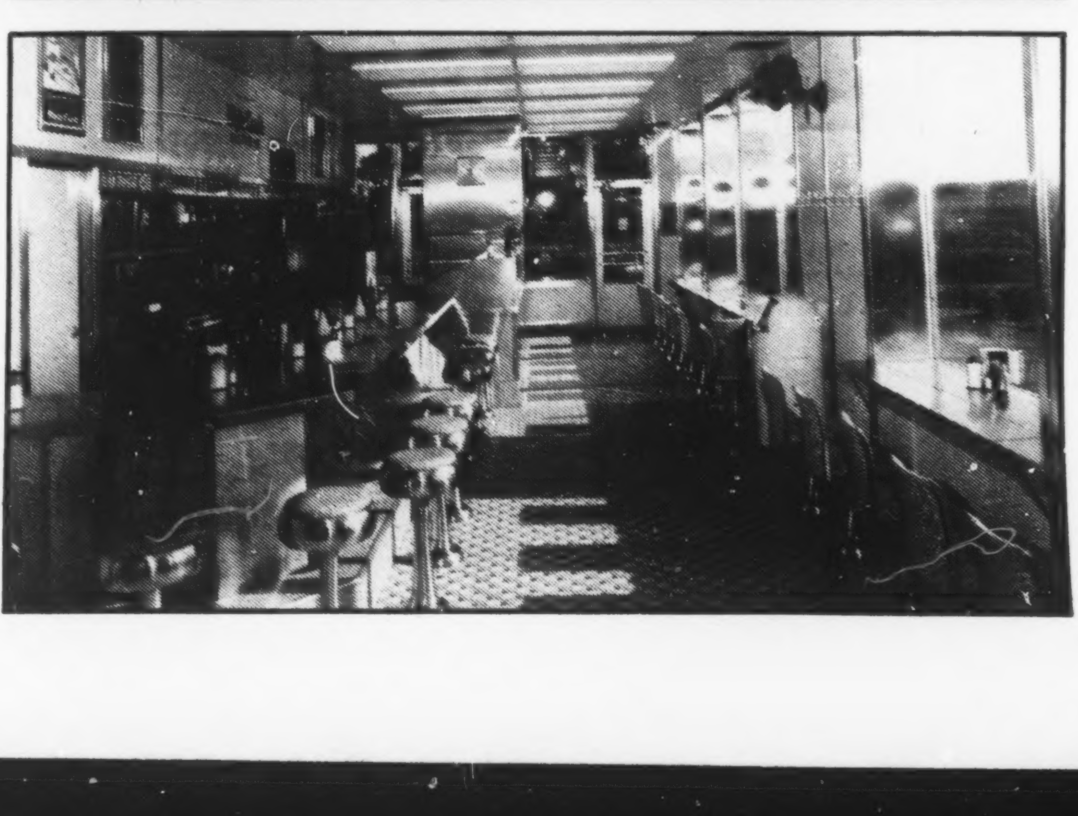
However, the chain seems to remain skeptical about new products. It doesn't even like to suggest new products to its stores. "We believe that new items are best initiated by regional managers," Turley notes. "They're closer to the customers."











White Castle's early evolution: The first White Castle (top), essentially a concrete block, opened in Wichita, Kan., in 1921. Stucco was added to the concrete in 1922 (center, top), and by 1926, units featured white enamel glazed brick (center, bottom). Interiors evolved slowly. Through the 1950's units were designed much like diners. A Cincinnati store (right, top) dates from 1945, the St. Louis unit (right, bottom) from 1958.

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

NRN stock index continues two-month slide

(Continued from page 132)

volume trends list and the percentage price loser list. Sis Corp. fell $1.25 per share, to close at $3.25, a 52-week low. About 21,400 shares traded hands during the week, 214% of the normal weekly volume.

Other price losers included Maverick Restaurants, which was down 75¢, to $3, after rebounding from a $2.88 52-week low. Beefsteak Charlie's, down 38¢, to $2, also rebounded during the week from a $1.88, 52-week low.

Kelly-Johnston, which changed chairmen, fell 25¢, to $1.38. Good Taco lost 25¢, to $1.38.

Jerrico plummeted $2, to finish the week at $14.25. Fast Food Operators was down 13¢, to 94¢. American Restaurants was off 38¢, to $2.88.

The price winners list was led by A&M Food Service, which added 38¢ a share, to close at $3.88. The stock, however, flirted with its $3.50, 52-week low during the week.

Other leading winners included Associated Hosts, up $1.38, to $14.63. Mr. Steak, which said it plans to sell its meat-processing operation, gained 13¢, to $1.50.

Chi-Chi's, which posted a 10% year-to-year drop in second-quarter earnings to 17¢ per share, gained 88¢, to finish with $11.25.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
SIS Cp	213.6	Old Fashion Fd	140.5
Hilton Hotels	211.8	TGIF Texas	138.1
Servico Inc	176.3	Ryans Fam Steak	134.7
Kelly-Johnston	156.2	Luby's Cafe	123.1
Acapulco Rest	141.7	1 Potato 2	100.9

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
A&M Food Svcs	10.7	Pizza Inn	7.0
Assoc Hosts	10.4	Pillsbury Co	5.9
Mr Steak	9.1	Luby's Cafe	4.2
Chi-Chi's	8.4	So Hospitality	2.9
Victoria Stations	8.0	Horn & Hardart	2.5

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
SIS Cp	- 27.8	Jerrico Inc	- 12.3
Maverick Rest	- 20.0	Fast Food Oper	- 11.8
Beefsteak Char	- 15.8	Amer Rest	- 11.5
Kelly-Johnston	- 15.4	Ramada Inns	- 10.9
Good Taco	- 15.4	Garcias Scot	- 10.0

	Stock Market												Financial Update																	
	Price							Volume								Latest Report			Latest Quarter						Year-to-Date					
	12-07-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																														
A&M Food Svcs ..... O	3.88	.38	10.7	4.25	3.50	8.75	3.50	118	.33	.31	6.5	11.1	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rest ..... O	3.63	- .38	- 9.4	4.00	3.63	6.00	3.63	289	1.16	.48	141.7	NE	.00	.0	—	9 mos.	07-84	19.0	86.3	.0	- 100.0	.01	- 91.7	28.3	.7	.3	NE	.14	NE
Amer Rest ..... O	2.88	- .38	- 11.5	3.25	2.75	6.00	2.75	224	.97	.60	61.7	10.3	.00	.0	—	3 mos.	04-84	4.5	21.6	.1	.0	.07	16.7	4.5	21.6	.1	.0	.07	16.7
ARA Services ..... N	71.13	.00	.0	71.38	71.00	71.38	40.25	2,863	2.38	3.79	- 37.2	13.7	2.10	3.0	—	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19	15.1
Assoc Hosts ..... M	14.63	1.38	10.4	14.75	12.63	17.13	10.50	2,348	5.31	5.39	- 1.5	17.2	.12	.8	NEW	fiscal	09-84	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char ..... A	2.00	- .38	- 15.8	2.38	1.88	4.75	1.88	694	1.23	.72	70.8	1.5	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Bob Evans Farms ..... M	17.25	- .25	- 1.4	17.75	17.25	23.75	14.75	1,049	.65	.42	54.8	17.3	.30	1.7	NEW	3 mos.	07-84	54.0	14.2	4.4	7.3	.27	8.0	54.0	14.2	4.4	7.3	.27	8.0
Calibre Cp ..... M	2.50	- .25	- 9.1	2.75	2.00	9.00	2.00	108	.36	.19	89.5	NE	.00	.0	—	fiscal	07-84	1.1	- 31.3	(.6)	NC	(.20)	- 100.0	11.5	82.5	(1.5)	- 100.0	(.51)	- 100.0
Calny Food ..... M	8.88	.13	1.4	9.00	8.75	10.75	7.25	248	.55	1.84	- 70.1	15.6	.16	1.8	—	6 mos.	08-84	13.0	19.3	.5	.0	.12	- 7.7	25.0	14.7	1.4	40.0	.31	19.2
Capt Crab ..... M	1.63	- .13	- 7.1	1.75	1.63	6.13	1.63	1,611	1.41	1.86	- 24.2	NE	.00	.0	—	9 mos.	05-84	2.6	766.7	(.5)	NC	(.04)	NC	3.7	362.5	(.6)	NC	(.05)	NC
Carrols Cp ..... N	8.88	- .38	- 4.1	9.38	8.75	10.88	7.13	204	.26	.69	- 62.3	13.4	.07	.8	—	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28	- 6.7
Chi-Chi's ..... M	11.25	.88	8.4	11.63	10.25	24.88	10.00	14,597	5.42	4.52	19.9	16.8	.00	.0	NEW	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chilis Inc ..... O	20.63	- .25	- 1.2	21.00	20.25	24.25	12.75	983	2.19	4.26	- 48.6	35.0	.00	.0	—	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch ..... N	28.75	.25	.9	29.13	28.25	30.50	21.25	1,909	1.01	1.81	- 44.2	15.0	.80	2.8	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods ..... N	14.00	- .25	- 1.8	14.50	13.88	16.94	9.91	1,699	1.30	1.05	23.8	11.3	.16	1.1	—	3 mos.	07-84	115.1	24.3	4.8	23.1	.37	19.4	115.1	24.3	4.8	23.1	.37	19.4
Concept Dev ..... O	6.75	.00	.0	7.00	6.75	17.69	6.00	1,606	3.11	2.09	48.8	13.0	.00a	.0	NEW	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts ..... M	5.00	.00	.0	5.00	5.00	9.50	4.75	238	.67	.69	- 2.9	14.3	.00	.0	—	fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant ..... M	4.88	.00	.0	5.00	4.50	14.88	4.50	1,350	3.00	2.15	39.5	19.5	.00	.0	—	3 mos.	08-84	21.1	33.5	.0	- 100.0	.01	- 87.5	21.1	33.5	.0	- 100.0	.01	- 87.5
Cracker Barrel ..... M	14.25	- .75	- 5.0	15.25	13.88	23.50	11.75	229	.64	4.20	- 84.8	15.2	.14	1.0	—	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc ..... O	2.75	- .25	- 8.3	3.50	2.75	5.00	2.75	70	.62	.44	40.9	14.5	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc ..... N	40.88	- .25	- .6	41.50	40.13	41.63	30.25	6,052	3.91	4.23	- 7.6	15.4	.72	1.8	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods ..... M	9.88	- .13	- 1.3	10.50	9.75	19.13	9.63	17,552	5.24	10.04	- 47.8	10.9	.26	2.6	—	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.65	- 10.8
DLites Of Amer ..... O	13.88	- .50	- 3.5	14.50	13.88	14.50	11.50	1,038	2.12	NC	NC	NM	.00	.0	—	6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts ..... M	24.00	.25	1.1	24.00	23.50	26.25	18.13	149	.31	.96	- 67.7	13.2	.32	1.3	—	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44	15.1
El Chico ..... M	8.38	- .25	- 2.9	8.75	8.38	14.75	7.75	121	.26	1.68	- 84.5	10.5	.00	.0	—	3 mos.	08-84	21.1	9.9	.9	.0	.20	.0	21.1	9.9	.9	.0	.20	.0
El Torito Rest ..... N	10.88	- .38	- 3.3	11.13	10.75	14.63	9.00	226	.20	.26	- 23.1	11.8	.00	.0	NEW	9 mos.	09-84	65.9	17.3	4.1	17.1	.35	25.0	189.0	20.5	9.0	32.4	.78	44.4
Fast Food Oper ..... O	.94	- .13	- 11.8	1.06	0.94	2.44	.89	523	.88	1.10	- 20.0	15.6	.00	.0	—	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes ..... M	6.50	.13	2.0	6.75	6.38	9.13	4.00	1,097	1.57	1.86	- 15.6	NE	.00	.0	—	9 mos.	09-84	3.3	NC	(.3)	NC	(.05)	NC	6.6	NC	(.7)	NC	(.11)	NC
Frisch's ..... A	14.75	- .50	- 3.3	15.25	14.50	16.38	12.00	136	.31	.17	82.4	16.4	.22	1.5	—	3 mos.	08-84	40.5	7.4	1.7	.0	.19	- 52.5	40.5	7.4	1.7	.0	.19	- 52.5
Fuddruckers Inc ..... M	10.38	- .63	- 5.7	10.50	10.13	17.50	9.25	1,687	2.59	1.63	58.9	NM	.00	.0	—	9 mos.	09-84	7.2	NC	.6	NC	.09	NC	16.9	172.6	.0	- 100.0	.00	- 100.0
Garcias Scot ..... M	2.25	- .25	- 10.0	2.50	2.25	8.50	2.00	1,017	1.70	1.50	13.3	NE	.00	.0	—	6 mos.	06-84	12.6	40.0	.2	NE	.03	NE	29.7	57.1	.0	NE	.00	NE
Good Taco ..... M	1.38	- .25	- 15.4	1.75	1.38	7.00	1.38	246	.83	1.17	- 29.1	NE	.00	.0	—	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet ..... O	12.50	.00	.0	13.25	12.50	12.75	9.75	0	.00	.18	-100.0	10.8	.00	.0	—	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger ..... M	4.50	.00	.0	4.50	3.63	9.00	3.63	553	1.96	1.27	54.3	25.0	.00	.0	—	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18	NC
Intl Dairy Queen ..... O	41.00	.00	.0	42.00	41.00	41.00	32.50	5	.02	.22	- 90.9	11.9	.00	.0		9 mos.	08-84	40.8	8.2	(26.5)	- 100.0	1.61	15.8	106.5	14.3	6.7	8.1	3.03	20.2
Intl King Tab ..... M	15.88	.13	.8	16.00	15.50	18.63	11.38	329	1.16	1.98	- 41.4	11.8	.00a	.0	—	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest ..... M	14.13	- .13	- .9	14.38	14.00	16.25	10.38	439	1.93	1.50	28.7	12.7	.20	1.4	—	9 mos.	06-84	22.2	32.1	1.0	25.0	.42	20.0	48.7	23.0	1.9	26.7	.80	15.9
Jerrico Inc ..... M	14.25	- 2.00	- 12.3	16.13	14.25	18.63	11.88	5,374	3.42	4.49	- 23.8	11.0	.12	.8	—	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp ..... A	2.88	.00	.0	3.38	2.88	5.63	1.13	1,023	4.56	3.23	41.2	NE	.00	.0	—	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl ..... M	15.75	- .25	- 1.6	16.25	15.63	32.75	14.63	510	.72	3.05	- 76.4	9.7	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston ..... M	1.38	- .25	- 15.4	1.63	1.38	14.25	1.25	7,934	9.30	3.63	156.2	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ..... N	27.63	1.13	4.2	28.13	26.38	32.00	23.63	702	.58	.26	123.1	19.3	.54	2.0	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp ..... M	14.38	- .38	- 2.5	14.63	14.25	15.25	11.38	219	.43	.27	59.3	9.9	.28	1.9	—	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp ..... N	70.75	- 1.38	- 1.9	72.50	70.63	80.25	58.50	1,371	.53	.68	- 22.1	15.7	.44	.6	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest ..... O	3.00	- .75	- 20.0	3.63	2.88	7.00	2.88	176	.35	.34	2.9	23.1	.00	.0	—	6 mos.	07-84	2.9	NC	.3	NC	.05	NC	5.3	NC	.5	NC	.10	NC
McDonald's Cp ..... N	50.75	- .75	- 1.5	51.63	50.00	55.88	40.84	6,303	.72	1.14	- 36.8	11.9	.82	1.6	—	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc ..... M	17.00	.25	1.5	17.00	16.63	19.13	13.13	653	.48	.94	- 48.[illegible]	11.1	.48	2.8	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36	16.1
Mr Steak ..... O	1.50	.13	9.1	1.75	1.38	3.34	1.13	717	1.50	.89	68.5	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)	- 100.0
Nathans ..... O	2.25	- .13	- 5.3	2.38	2.25	2.97	1.78	177	.79	.58	36.2	8.7	.00a	.0	—	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18	63.6
Natl Pizza ..... O	7.75	- .25	- 3.1	8.25	7.75	9.75	7.50	248	.46	.41	12.2	10.2	.00	.0	—	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc ..... M	7.13	- .50	- 6.6	7.63	7.00	20.25	7.00	546	1.18	1.73	- 31.8	NE	.00	.0	—	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)	- 100.0

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

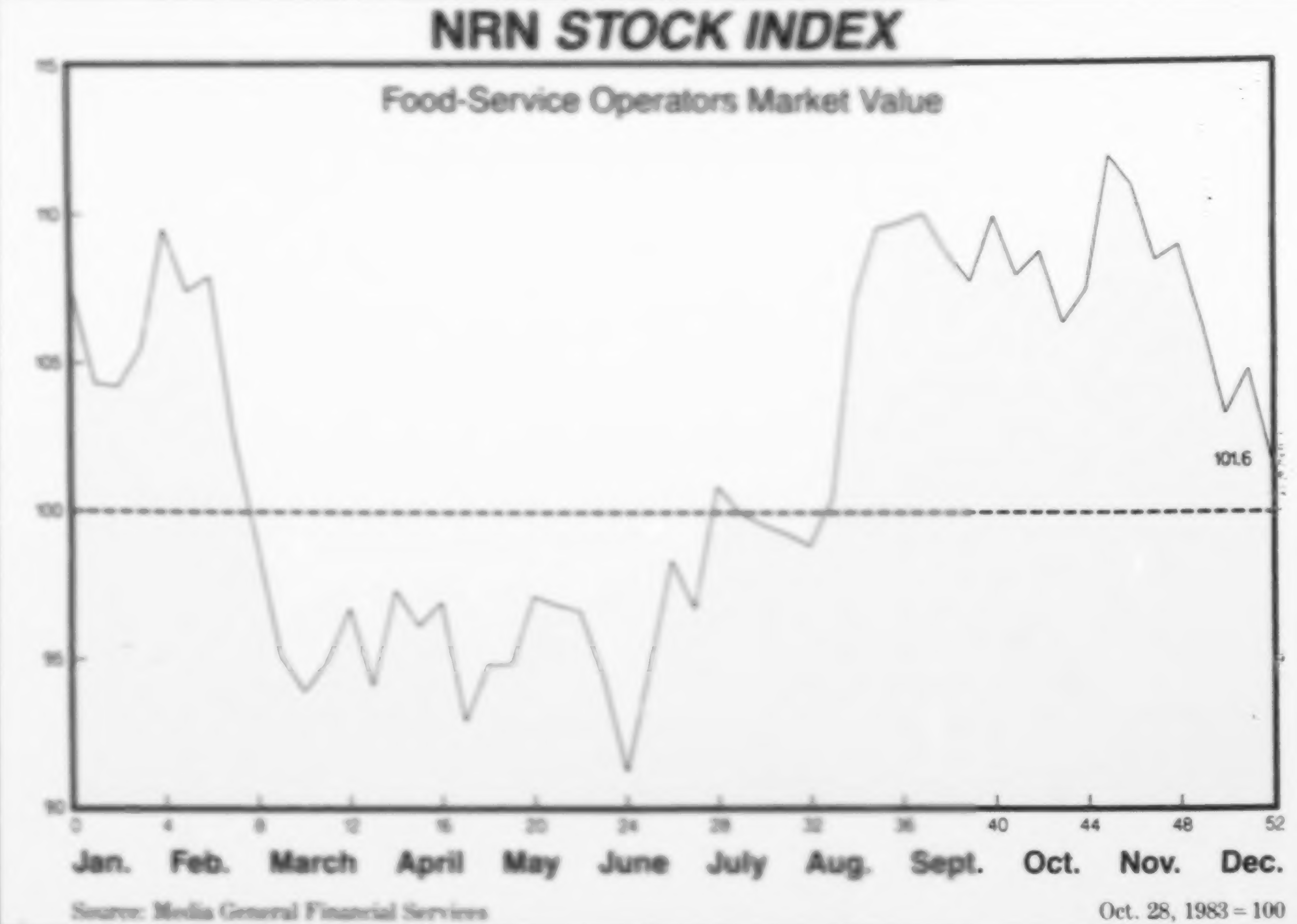
General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

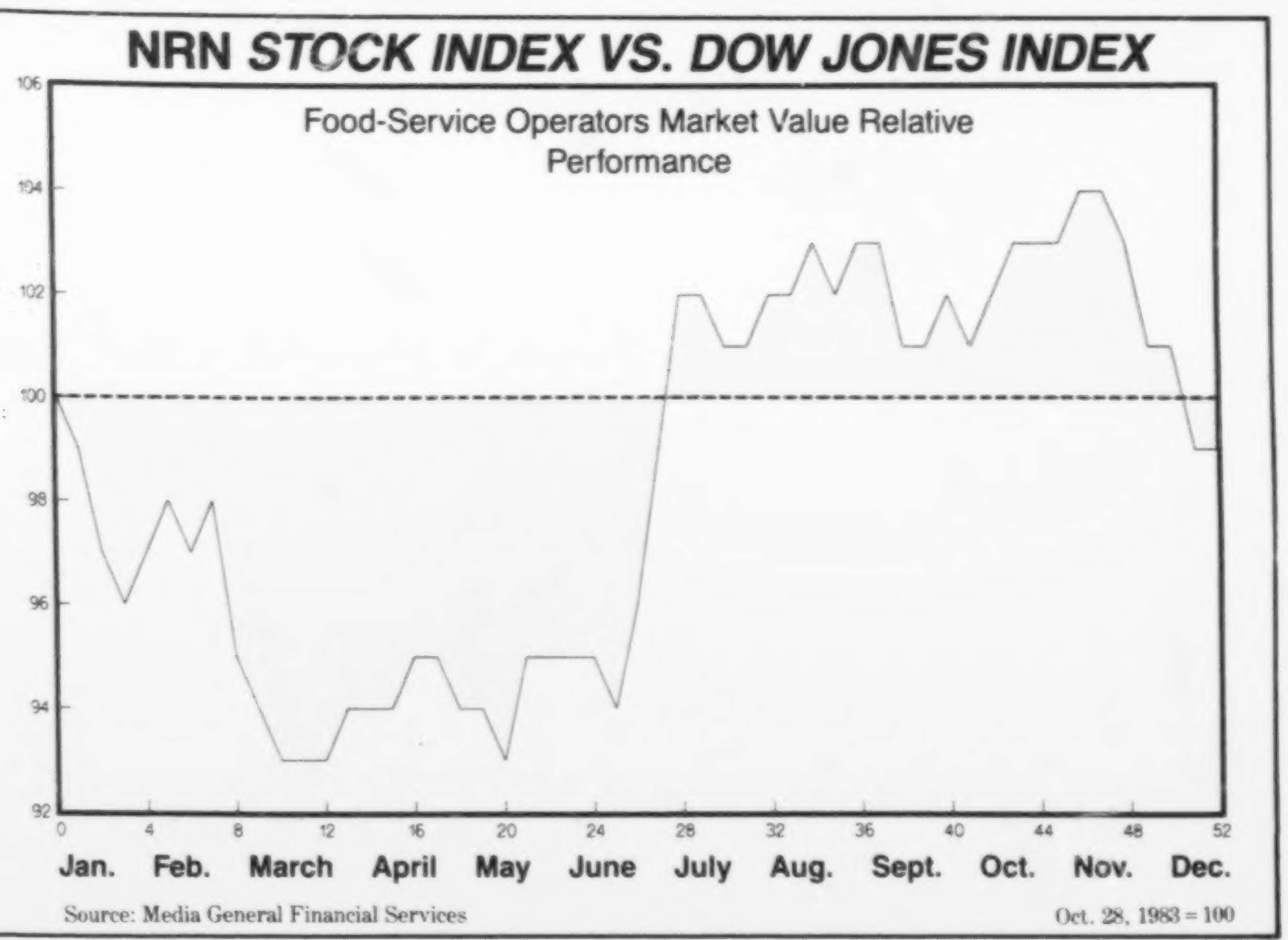
FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE


NRN STOCK INDEX

Food-Service Operators Market Value

Source: Media General Financial Services

Oct. 28, 1983 = 100


NRN STOCK INDEX VS. DOW JONES INDEX

Food-Service Operators Market Value Relative Performance

Source: Media General Financial Services

Oct. 28, 1983 = 100

		Stock Market											Financial Update																	
		Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		12-07-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
1 Potato 2	O	2.75	- .25	- 8.3	2.88	2.63	12.50	2.63	470	2.15	1.07	100.9	55.0	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC
Old Fashion Fd	O	4.75	- .25	- 5.0	5.50	4.75	7.25	4.75	124	.89	.37	140.5	8.6	.00	.0	.....	3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13	- 13.3
Pancho Mex Buffet	M	6.50	.00	.0	6.50	6.00	8.00	5.88	234	.82	.55	49.1	11.8	.13	2.0	NEW	fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest	M	.56	- .06	- 10.0	0.63	0.56	8.13	.50	2,921	3.40	6.07	- 44.0	NE	.00	.0		fiscal	06-84	NC	NC	(27.6)	- 100.0	(3.30)	- 100.0	30.6	12.1	(29.6)	- 100.0	(3.54)	- 100.0
Piccadilly Caf	M	17.63	- .50	- 2.8	17.75	17.25	24.25	13.13	1,151	1.90	1.00	90.0	10.9	.60	3.4	.....	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn	A	7.63	.50	7.0	7.88	7.00	15.00	6.88	309	1.01	1.13	- 10.6	7.4	.08	1.0	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks	M	10.38	- 1.00	- 8.8	11.13	10.00	16.63	10.25	260	.59	1.00	- 41.0	13.8	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys	N	12.13	- .75	- 5.8	13.00	11.63	24.88	11.63	2,634	2.75	3.73	- 26.3	7.1	.40	3.3	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc	O	3.38	- .25	- 6.9	3.63	3.38	7.00	2.38	301	1.09	1.38	- 21.0	30.7	.00	.0	.....	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants	M	9.50	- .75	- 7.3	10.00	9.00	19.25	9.50	1,123	2.02	1.20	68.3	15.1	.00	.0	.....	3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23	35.3
Rest Assoc	A	7.25	- .38	- 4.9	7.50	7.25	9.50	6.50	47	.17	.61	- 72.1	10.2	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys	M	11.75	- .75	- 6.0	12.50	11.75	14.25	9.00	50	.22	.59	- 62.7	13.8	.00	.0	.....	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D	M	2.38	- .25	- 9.5	2.50	2.25	9.00	2.25	245	.47	.90	- 47.8	NE	.00	.0	.....	9 mos.	09-84	4.4	NC	(.5)	NC	(.11)	NC	10.6	NC	(1.6)	NC	(.31)	NC
Rusty Pelican	M	15.38	- .25	- 1.6	15.75	15.38	18.25	11.38	140	.50	3.13	- 84.0	18.1	.00	.0	.....	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak	M	17.75	- 1.50	- 7.8	19.25	17.00	23.75	15.50	1,746	4.06	1.73	134.7	25.7	.00	.0	.....	9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53	47.2
Saga Corp	N	30.50	.13	.4	30.75	30.25	35.50	24.63	759	.58	.97	- 40.2	12.3	.44	1.4	.....	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef	M	7.88	- .13	- 1.6	8.25	7.50	11.75	6.75	106	.82	.58	41.4	13.6	.00	.0	.....	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley	M	7.75	.00	.0	7.75	7.50	11.00	7.13	695	1.77	3.89	- 54.5	5.2	.00	.0	.....	9 mos.	09-84	15.7	- 38.9	3.0	500.0	.76	484.6	48.3	- 32.7	5.3	1666.7	1.35	1587.5
Shoney's Inc	M	29.88	.25	.8	30.00	29.63	35.13	20.00	2,085	1.00	.98	2.0	21.6	.16	.5	.....	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06	24.7
Shoney's South	M	13.00	- .75	- 5.5	13.88	13.00	16.59	11.00	239	.43	.66	- 34.8	11.0	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	23.5
SIS Cp	M	3.25	- 1.25	- 27.8	4.00	3.25	9.75	3.25	214	1.38	.44	213.6	23.2	.00	.0	.....	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl	M	15.25	.25	1.7	15.25	14.50	18.75	8.75	432	.64	.56	14.3	12.2	.00	.0		3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers	M	10.00	.00	.0	10.25	9.88	11.25	8.00	390	1.44	.83	73.5	12.2	.06	.6	.....	9 mos.	09-84	14.5	20.8	.5	25.0	.18	20.0	42.3	23.7	1.6	14.3	.60	1.7
So Hospitality	M	4.50	.13	2.9	4.50	4.38	5.13	3.75	311	.65	1.36	- 52.2	13.2	.00	.0	.....	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva	M	7.75	.00	.0	8.00	7.50	10.00	7.00	116	.51	.74	- 31.1	18.5	.00	.0	.....	3 mos.	08-84	6.6	94.1	.3	50.0	.14	16.7	6.6	94.1	.3	50.0	.14	16.7
TGI Friday's	N	7.88	- .88	- 10.0	8.88	7.88	17.63	7.88	1,975	1.73	.91	90.1	13.3	.00	.0	.....	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas	O	2.25	- .13	- 5.3	2.75	2.25	7.38	2.25	76	.50	.21	138.1	NE	.00	.0	.....	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)	NC
Transworld	N	30.38	- .25	- .8	31.13	30.38	33.50	23.63	2,689	.95	3.16	- 69.9	4.3	.40	1.3	.....	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	NE
USACafes	M	3.50	.00	.0	3.75	3.50	5.00	2.75	37	.07	.34	- 79.4	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants	M	14.75	- 1.13	- 7.1	15.38	14.50	22.00	13.25	251	.38	2.15	- 82.3	12.4	.12	.8	.....	9 mos.	07-84	67.7	127.9	2.7	68.8	.41	57.7	155.1	167.4	5.8	100.0	.87	64.2
Victoria Stations	M	3.38	.25	8.0	3.38	2.88	9.13	2.75	1,379	3.90	8.59	- 54.6	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl	N	17.13	.13	.7	17.38	16.75	20.50	13.13	6,237	1.14	1.26	- 9.5	14.3	.28	1.6	.....	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer	O	10.00	- .25	- 2.4	11.00	10.00	13.25	9.00	21	.17	.47	- 63.8	10.9	.20	2.0	.....	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33	- 23.3
Winners Cp	N	5.38	- .50	- 8.5	6.00	5.13	16.13	5.13	916	2.09	3.00	- 30.3	11.0	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																														
Am Motor Inns	A	21.25	.00	.0	21.38	21.25	21.75	12.50	39	.03	.13	- 76.9	13.4	.16	.8	.....	fiscal	07-84	52.8	17.1	5.9	25.5	.51	- 38.6	201.1	23.8	18.4	32.4	1.59	- 36.9
Brock Hotel Cp	N	3.13	- .13	- 3.8	3.38	3.00	7.50	3.00	2,773	2.10	1.48	41.9	NE	.10	3.2	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels	N	55.13	.63	1.1	55.50	54.00	59.25	45.50	8,332	3.18	1.02	211.8	22.1	1.80	3.3	.....	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns	N	40.25	- .63	- 1.5	41.13	39.13	51.75	35.25	3,324	.93	1.90	- 51.1	11.8	.90	2.2	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn	N	22.50	- 1.13	- 4.8	23.75	22.50	25.50	16.00	331	.23	.43	- 46.5	18.8	.12	.5	.....	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns	N	5.13	- .63	- 10.9	5.75	5.13	11.00	5.13	5,978	1.61	1.88	- 14.4	17.1	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc	M	17.50	- 1.00	- 5.4	18.00	17.00	24.50	13.50	327	1.05	.38	176.3	12.0	.00a	.0	.....	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.60	- 11.8	90.2	24.8	2.8	47.4	.89	43.5
Sonesta Intl	O	19.00	.00	.0	21.00	19.00	19.00	16.50	10	.06	.05	20.0	NE	.30	1.6	.....	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)	- 100.0
Other Companies with Food-Service Operations																														
Allegheny Bev	M	16.63	- .13	- .7	17.00	15.75	20.00	13.50	584	.97	1.94	- 50.0	10.9	.80	4.8	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut	N	8.50	- .13	- 1.4	9.00	8.38	14.56	7.75	499	1.08	.70	54.3	94.4	.48	5.6	.....	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09	- 89.7
Disney, Walt	N	57.50	- 1.13	- 1.9	58.63	56.63	68.50	45.25	4,787	1.42	3.91	- 63.7	21.1	1.20	2.1	.....	fiscal	09-84	463.2	27.6	12.1	- 50.6	.38	- 45.7	1656.0	26.7	97.8	4.9	2.73	1.1
Esteban Foods	O	1.25	.00	.0	1.38	1.25	4.63	1.25	151	.64	1.37	- 53.3	NM	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills	N	49.00	- 1.00	- 2.0	50.13	48.38	60.00	41.63	6,879	1.52	1.05	44.8	10.5	2.24	4.6	.....	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20	- 21.1
Horn & Hardart	A	10.13	.25	2.5	10.13	9.50	22.25	8.63	1,680	1.36	2.38	- 42.9	11.8	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp	N	26.25	- 1.13	- 4.1	27.25	25.88	31.00	24.13	1,625	.86	1.26	- 31.7	11.9	1.80b	6.9	.....	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc	N	41.25	- 1.88	- 4.3	43.13	39.88	45.75	34.50	13,454	1.43	1.10	30.0	12.0	1.68	4.1	.....	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co	N	42.63	2.38	5.9	42.88	40.00	44.63	33.00	3,310	.76	.77	- 1.3	10.6	1.56	3.7	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France	M	12.50	.00	.0	12.50	12.00	15.25	10.50	249	.23	.50	- 54.0	21.2	.23	1.8	.....	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

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—Page 66

Nation's Restaurant News®

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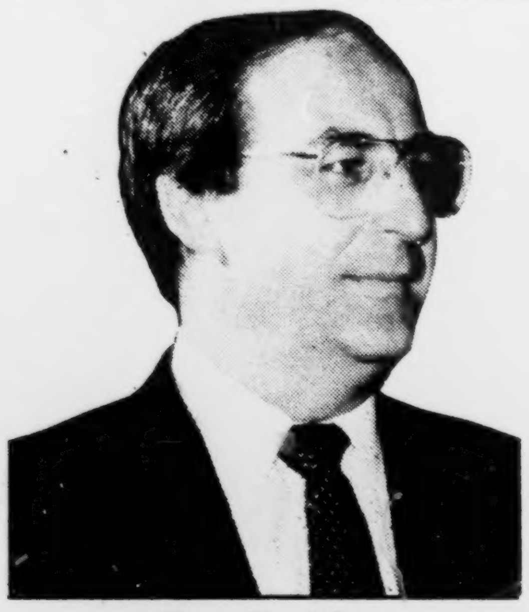


Don Smith

Trouble stalks Don Smith

Diversifoods staggered by sales slump, buyout bomb

By Don Jeffrey

ITASCA, Ill. — Diversifoods and its highly regarded president-chief executive Don Smith were on the ropes shortly after an unsuccessful attempt by Smith and other officials to take the multiconcept company private in a leveraged buyout.

Smith, a 43-year-old veteran of McDonald's, Burger King and PepsiCo's Pizza Hut and Taco Bell who was hailed last year by an analyst as "the single most impressive restaurateur in fast food today," so far has failed to meet the high expectations of Diversifoods' investors and franchisees.

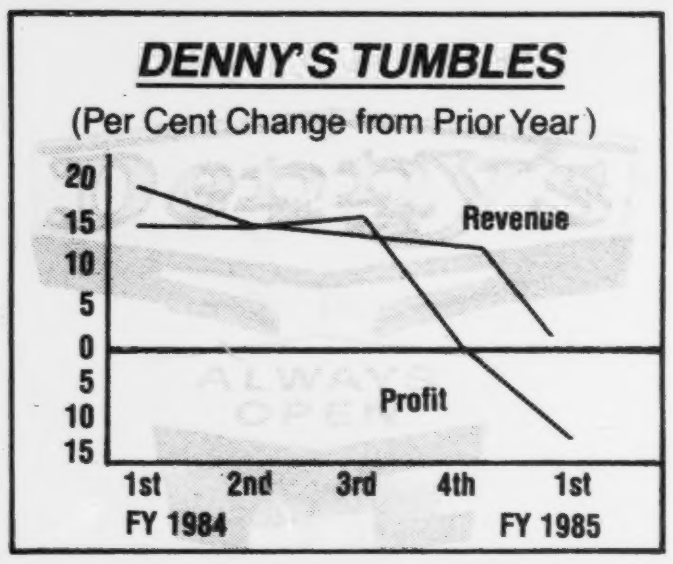
In the year since Smith's arrival after Diversifoods was formed by the merger of Chart House and Godfather's Pizza, Wall Street has soured on both the company and Smith. Investors worry about Diversifoods' sharply declining profits and its inability to turn around the ailing 900-unit Godfather's.

In addition, vice chairman William Theisen, Godfather's founder, and William Hyde,

*(See **SMITH**, page 63)*

Denny's readies daytime push as late-night traffic counts sag

By Richard Martin



LA MIRADA, Calif. — Softening late-night customer traffic has hurt 24-hour Denny's, presenting the giant corporation's top executives—who are currently besieged by details of their pending leveraged buyout—with a spate of new marketing and operations challenges.

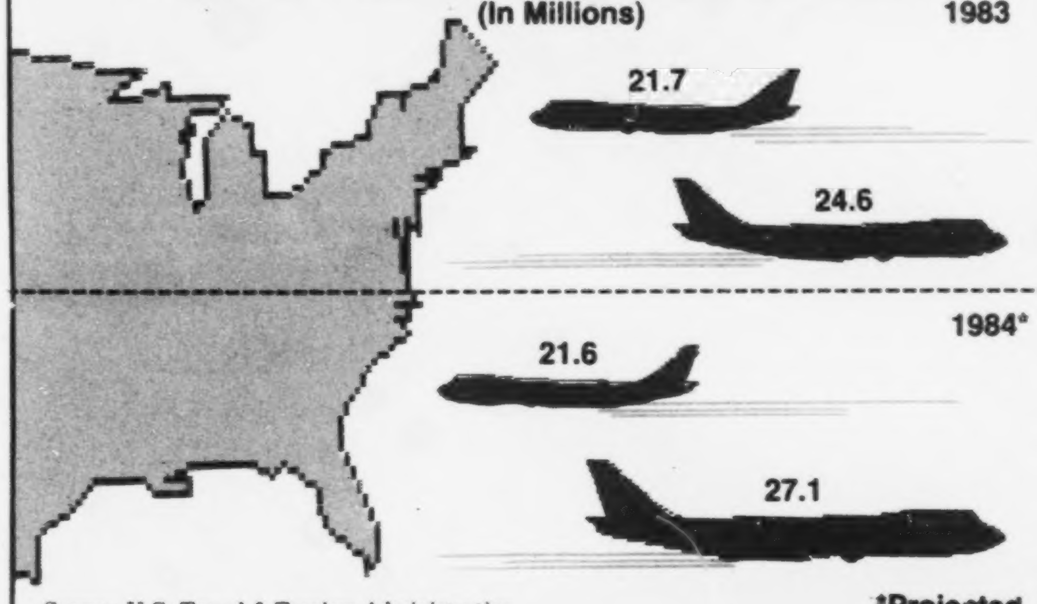
The coffee shop segment leader, experiencing the same sluggish year-to-year sales trends that are plaguing most other 24-hour systems, is reportedly poised to begin tests of new menu items and ad campaigns designed to shore up its stronger day parts.

Dinner entrées and luncheon salads are reportedly among the dishes being readied for tests, which may advance to rollouts by spring or summer.

Continuation of the less than $2 bargain breakfasts, and upgrading and upscaling of many lunch and dinner menu items, would help offset the slackness of late-night and all-night traffic that has kept average unit sales low, sources close to Denny's indicate.

Operators in the 24-hour coffee shop segment have blamed fast feeders who stay open later for incursions into

*(See **DENNY'S**, page 63)*



Source: U.S. Travel & Tourism Administration

*Projected

The strong U.S. dollar helped boost tourism abroad by more than 10% in 1984. At the same time, the number of foreign travelers coming to the United States continued to slide, aggravating already low hotel occupancy rates here and forcing operators to seek new ways to market themselves to foreign tourists. See page 4 for full details.

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NEWSPAPER

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Cod supply shortfall looms

Higher prices may cut into seafood operators' profits

By Patt Patterson

BOSTON — The supply of cod blocks and slabs, the raw material from which fish portions are processed, has dropped significantly over the past three months. Some fast-seafood operations have expressed concern severe shortages will occur in supplies of finished product. They said escalating prices would then put them at an economic disadvantage with burger and chicken competitors for fast-food customers.

How severe the shortage is, or even if there is any shortage at all, depends upon who is contacted. Worry tends to be greatest with independent operators and food-service distributors. On the other hand, major seafood chains decline to even discuss it. Processors, with the exception of one of the largest in the industry, also refused to speculate on the situation.

*(See **SHORTFALL**, page 9)*

While the supply of cod blocks and slabs has dropped in the past three months, the full effect of the shortage is unclear.

Foreign tourists stay home

Strong U.S. dollar to blame for $46.4 million in lost revenues

By Peter Romeo

REGISTRATION

'We had 13% of the world tourism market in 1976, and now we have 10.6%. If present conditions prevail, we'll almost undoubtedly go below 10%.'

Foreign tourist arrivals continued to plummet in 1984, robbing American hotels and restaurants of more than $46.4 million in revenues, according to preliminary figures provided by the U.S. Travel and Tourism Administration (USTTA).

The United States' dwindling share of the world tourism market was further whittled away by the sharpest increase ever recorded in the number of American citizens traveling abroad. Last year 27.1 million Americans departed for foreign destinations, representing a jump of 10.2%, or 2.5 million travelers, over the 1983 totals.

If those travelers spent an average of $697 per trip, as USTTA figures indicate they did in 1983, the loss to tourism-dependent businesses in the United States amounted to almost $19 billion.

And, travel associations say, individual hoteliers, tourism analysts and economists, the situation is only going to get worse.

"We had 13% of the world tourism market in 1976, and now we have 10.6%," says Betsy Bromberg, marketing committee chairman for the American Hotel and Motel Association. "If present conditions prevail—and economists are convinced they will—we'll almost undoubtedly go below 10%."

A 1% drop in market share, tourism observers say, represents a $1 billion drop in revenues.

Last year alone foreign traveler arrivals fell to 21.6 million, down 0.5% from the already paltry 21.7 million recorded in 1983, and 9% from the 1981 figure, the USTTA statistics show.

To make matters worse, "the individual property"—whether a hotel, tourist-oriented restaurant or theme park—"can't do anything about it," says Robert Mackey, director of sales for New York City's Vista Hotel.

"A lot of people overseas want us to cut our rate, but you just can't do that," he explains. "So the only option you have is to keep your hotel pleasant and appealing, so that when the economic situation changes, they [foreign travelers] will come back to you."

But on a municipal, county or state level, Bromberg says, hotels, restaurants and other tourist attractions can at least try to attract more European travelers by combining their services into a complete travel package.

"A hotel can go to a restaurant and say, 'You contribute a meal for two,' and then ask a theater to provide two tickets. The hotel will provide the room nights," she says. "Then they can price it and present it to European travelers and travel agents as a complete European-style plan.

"People over there are used to that type of thing. So they'll probably find it attractive."

Bromberg says that hotels in several cities are already moving in that direction. The property represented by Mackey is a case in point.

"The Vista has teamed up with Windows on the World [a posh restaurant situated atop the nearby World Trade Center] to put together a 'Best of Both Worlds' package for tour operators," Mackey says.

"We provide a night in the hotel and a bottle of champagne. Windows on the World provides its grand buffet." The package deal is offered for Friday and Saturday nights at a cost of $69 per person per night.

A one- or two-night package, however, is not about to prompt a couple in Europe to board a plane for New York. But it is nevertheless an effective lure for foreign travelers, Mackey thinks, because of a concept that Bromberg calls "looping in."

As a number of hoteliers in Miami, Chicago, Los Angeles and other gateway cities noted, the drop in foreign tourism receipts is being caused not only by a decline in the number of guests from abroad but also by a decrease in the length of their stay.

As a result, though gateway cities are feeling a pinch, inland attractions like the Grand Canyon, Las Vegas or Zion National Park are feeling the worst effects of the drop in foreign traveler arrivals. With less time to spend here, tourists from abroad are tending to forgo "add-on" excursions to those locales.

To compensate, Bromberg says, individual attractions and local tourism boards are trying to "loop in" to the attractions and promotional campaigns of larger cities or favorite vacation areas. "Once you get a traveler in New York City, you also want him to extend his stay a bit, to also visit Atlantic City or Vermont."

Or, in the case of the Vista, a hotel located on the southern tip of Manhattan, to lure in foreign travelers drawn to the more popular midtown area of New York.

Though Bromberg believes that packaging and looping in can have an effect on the imbalance between foreign departures and arrivals, she says that the true remedy is a massive increase in promotional spending on the part of the Federal Government.

International tourism represents billions of dollars in tax revenues. "Other countries have realized it and are promoting themselves heavily," she says.

The United States, on the other hand, spent only $16,000 to promote itself as a tourism attraction in 1984.

In addition, there are doubts that the Federal Government's main promotional body, the USTTA, will even be in existence in 1986.

COMMODITIES

Early '85 vegetable pack plentiful; prices stable

By Patt Patterson

The supply of most processed vegetables is good this year. Quantities of a few have risen enough to affect food costs. Some menu shifting might be required in order to hold food costs down, but there are both canned and frozen vegetables in good supply, with prices at last year's levels or below.

Looking at the overall packs, most vegetables, if not up in stocks over last year at this time, are still plentiful. There are no great surprises in store for the operator, but the market should be followed closely.

The prices quoted are *not* the prices a food-service operator will pay, but instead are the prices charged—usually in truckload quantities—by the manufacturer or packer f.o.b. their dock. They are used merely to make clear comparisons from one period to another. The price paid by the operator will—in general—follow the trends set by the packer prices.

One of the most abundant canned vegetables is corn, both whole kernel and cream-style. This is one product that actually shows a price decline over last year at this time—about 21%. In early December 1983, 6/10 Fancy whole kernel corn was $12 a case at Midwest packer docks. In mid-December 1984, as *NRN* went to press, the price being quoted was $9.50, and some additional allowances were available. Northwest prices were a little lower, at $11.75, and New York State prices were substantially lower, at $10.25.

Midwest canned peas were moving up on tighter supplies, although the price hikes in mid-December were small, averaging about 4% to 6% at retail. Food-service prices, expected to be hit by the same tighter supply situation, had not yet risen.

New York State green beans were also moving up on the retail sizes, with food-service prices remaining steady for the time being. Expect price boosts to hit the 6/10 pack sometime this month.

Beet rises have also been slight, about 2.5% to 5%. This year's Midwest pack of medium sliced 6/10's is quoted at $9.75-$10.25, compared to $9.50-$9.75 last year at this time.

The sweet potato crop in the Ozarks was smaller than anticipated, with higher prices to the packers. California packs were up about 50¢ a case to $16.40 on 6/10 Fancy cuts. Louisiana packers were holding their price at $13.75, compared to $15 last year, but have already pushed retail prices up 15¢ to 20¢ a case.

Mushrooms are definitely down in price. Domestic packs of No. 1 pieces and stems in 6/10's are being quoted at $31, down from $36 to $40 last year. Imported pieces and stems are $29 to $30. Last year they were running $32 to $34 a case.

Asparagus Fancy cuts and tips from Michigan were also down. This year they are $32 to $32.50, compared to $33 to $35 a year ago. Mid-Atlantic packs show a narrowing of the spread, from $30 to $32.50 last year to $32 now.

Tomatoes are down everywhere, substantially in California, where prices have dropped by about 14% on the 6/10 Standard peeled pack, from $12.25-$12.75 to this year's $10.50-$11. Midwest pack prices are being quoted at 2% to 4% down from last year, and mid-Atlantic prices are down 4% to 6%.

* * *

Although the fresh broccoli crop is coming in abundantly, frozen broccoli prices firmed up in mid-December, with 1¢-2¢-a-pound increases expected on food-service packs. This, despite the fact that stocks of California Grade A spears in November were up 10% and cuts up 27%. Prices before the hike were already up from 4% to 8% over last year at the same time.

Idaho Extra Fancy long potato prices were up 13% to 17% this year, although Idaho potato farmers brought in a bountiful crop. Maine Fancy longs were also up, but by only 3.5%.

(See VEGETABLE, page 9)

PRICE MOVEMENT AT A GLANCE

	Dec. 13, 1983	Nov. 13, 1984	Dec. 13, 1984
Beef, Choice, 700-900 lb., Midwest (lb.)	$ 0.99	$1	$1.02
Broccoli, No. 1, fresh, Calif. (14s)	$ 7-$8	$8-$9	$5-$6
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$ 0.5899	$0.5603	$0.5270
Cod blocks, imported, 4/16 lb., Boston (lb.)	$ 1.16-$1.18	$1.02	$1.02-$1.06
Eggs, Grade A, large white, Chicago (doz.)	$ 0.98	$0.71-$0.73	$0.65-$0.67
Hams, canned, imported, large, 11 lb., Polish (lb.)	$ 1.56-$1.60	$1.67-$1.69	$1.54
Hams, cured, domestic, Midwest, 17-20 lb. (lb.)	$1	$0.93	$0.96
Lobster tails, Brazilian, 4 oz. (lb.)	$10.35	$9.75	$9.65
Lettuce, iceberg, No. 1, Calif. (24s)	$ 8-$9	$3-$3.50	$3.50-$4
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$ 0.84	$0.875	$0.94

Source: NRN *Research*

Prices listed are packers' f.o.b. plant, unless specified; and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

COVER STORY

1985 OFF TO A SLOW START, ECONOMY MAY GET BETTER

By Rick Telberg
Financial Editor

Chastened by an explosive recovery that fizzled fiendishly fast, many restaurant operators now say they expect the new year will get off to a slow start but will finish with a bang.

"Nineteen Eighty-five will be a soft year," said Mike Fuller, president of the 227-unit Mr. Steak chain in Denver. "Already you're starting to see a lot of couponing. That tells you business is falling into the doldrums.

"But it should start to pick up again next summer," Fuller forecast, "if for no other reason than that the year-to-year comparisons against a sluggish period this year will start coming out."

Many restaurant operators have pulled in their horns to wait for a signal from the Christmas selling season, a move by the Federal Reserve Bank to loosen credit, or action in Washington on taxes and the deficit.

"Right now most companies have slowed down and are evaluating things," said Donald Jackson, chief financial officer at the 650-unit Ponderosa chain in Dayton, Ohio. "No one wants to overreact to what may be a temporary situation."

Most economists predict barely a 3% gain next year in real gross national product growth, which is less than half 1984's estimated 7% rate. But few are forecasting a genuine recession, which calls for two consecutive quarters of broad-based contraction.

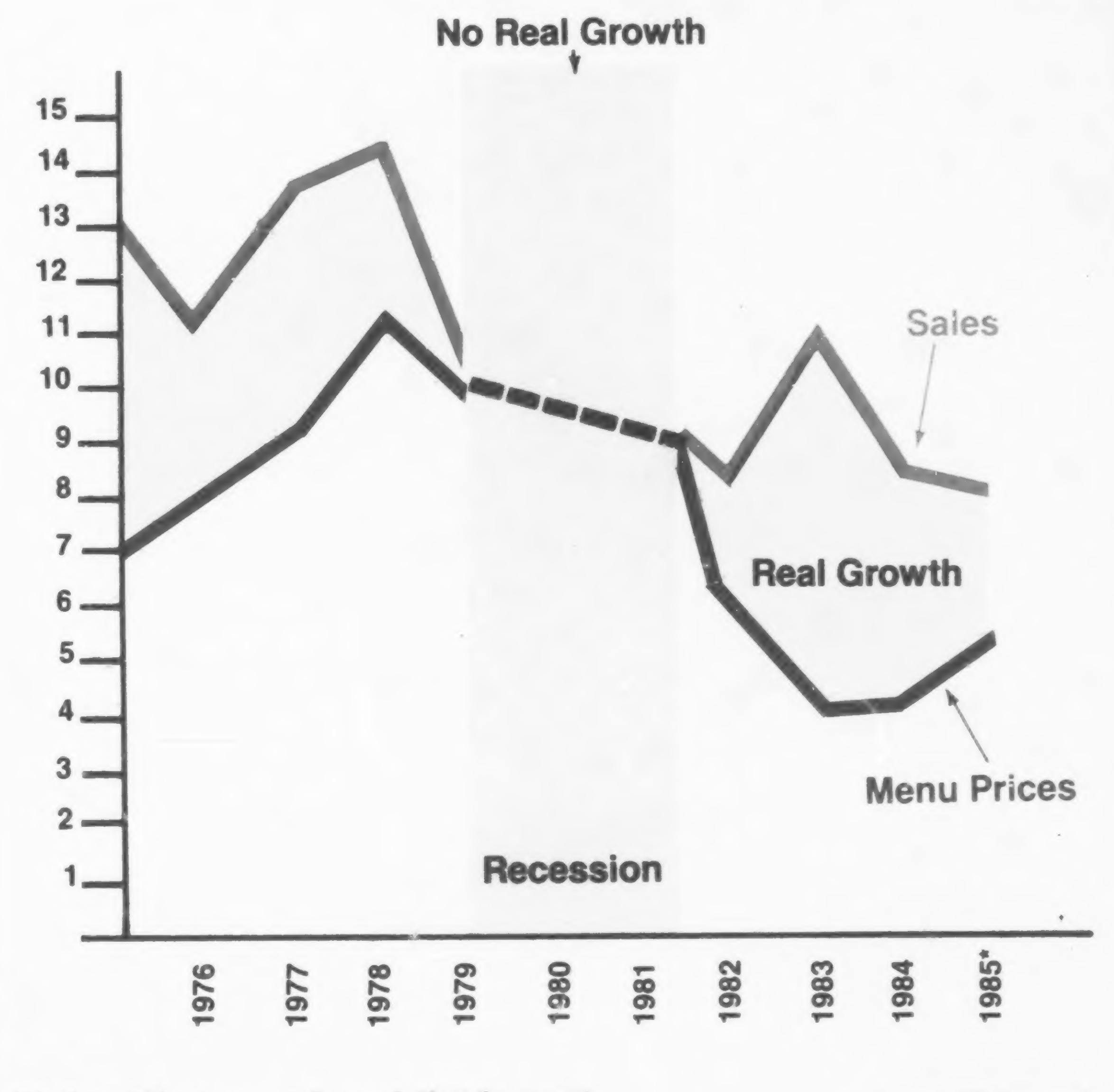
The Value Line Investment Survey, widely followed by Wall Street investors, predicts a flat, zero-growth first quarter and a negative 2% second quarter, but a 6% boom in real GNP growth by the fourth quarter of this year.

The National Restaurant Association (NRA) in Washington predicts 1985 "will be the industry's fifth consecutive year of sales growth and the third consecutive year of strong sales growth," in the words of chairman Harris Machus.

The trade group's widely quoted forecast calls for the total food-service industry to grow to $178 billion this year, an 8.2% rise over 1984. After subtracting menu price inflation of 4.9%, the NRA calculates real growth of 3.2%.

THE FORECAST: CONTINUED—BUT SLOWER—GROWTH

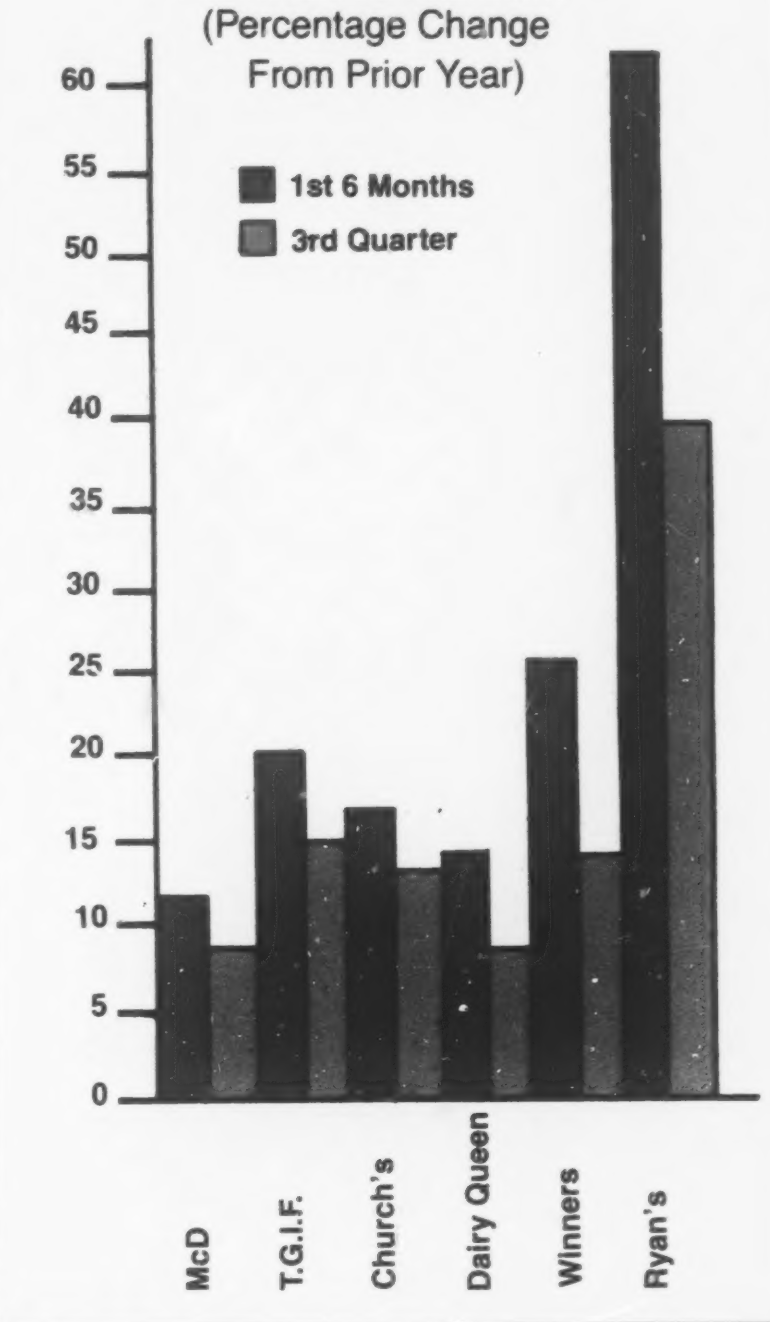
(Percentage Change From Prior Year)



*National Restaurant Association forecast

Source: *NRN* research

CHAIN SALES SLOW IN 3RD QUARTER



BLOW-UP: 1984 SO FAR

(Percentage Change From Prior-Year Period)

Month	Sales	Menu Prices	Real Growth
January	9.3%	3.8%	5.5%
February	13.1	4.4	8.7
March	9.1	4.1	5.0
April	7.0	4.1	2.9
May	7.9	4.4	3.5
June	8.8	4.4	4.4
July	6.1	4.4	1.7
August	11.4	4.7	6.7
September	7.2	4.3	2.9
October	5.8	—	—

Source: *NRN* research

The 1985 3.2% growth rate would be slower than last year's. But then 1984 surprised most experts.

The NRA upgraded its 1984 forecast in a midyear review, raising its sights to a 4.1% real growth rate—and later, 4.2%—from the 3.5% pace expected at 1983's year-end. At the same time the NRA scaled back its 1984 menu inflation estimate to 4.6%, from 5.3%.

But many operators are still smarting from a midsummer sales slowdown that shows few signs of abating soon. Early on, operators blamed the Olympics and the presidential campaign for keeping diners glued to their TV sets, but it now seems clear to many analysts that the slowdown coincided with a generally cooling economy.

Government data suggest the sluggishness hit industrywide in the second quarter, when real growth braked to 3.6% annually, down from 6.4% in the first quarter.

The larger chains held off the slide until the third quarter, but the casualties were legion. For instance, McDonald's, which charted a 12% year-to-year sales gain in the first half of the year, slowed to an 8% rate in the third quarter. T.G.I. Friday's, up 20% in the first six months, decelerated to 15% in the September-ending quarter. Church's slowed to 13% from 17%. Dairy Queen dropped to 8% from 14%. Ryan's slipped to 39% from 62%. And Winners Corp. slogged to 14% from 27%.

Wall Street reacted violently to dashed hopes. From a high of 110 in January, *Nation's Restaurant News'* broad stock index plummeted to 91 in May. Few restaurant stock watchers have many "buy" signals right now, foreseeing a listless market that hates disappointments.

But most economists see interest rates holding steady, if not edging downward, in 1985. as the Federal Reserve eases credit to spur business activity.

In addition, the number of jobholders may continue to rise even as the unemployment rate ticks upward, analysts say, terming the phenomenon a "growth recession."

Most analysts also predict that restaurant food and labor costs could remain low and steady through much of this year.

Analysts note that there have been no serious moves in Congress to raise the minimum wage, now pegged at $3.35.

And no shocks are expected in the price of beef, a hefty component of restaurant food costs, which has remained dead even with year-ago levels.

While fearing that the nation may already have slipped into a mild recession, Joseph Madigan, chief financial officer at Wendy's International in Dublin, Ohio, said, "The good news is that inflation seems pretty much licked.

"The best thing for people who sell food," he added, "is stable prices. It instills confidence in consumers to spend money."

Nation's Restaurant News' annual Forecast & Trends report is being published in three parts this year.

Part 1, which appears here, features reports on the economy, chain restaurants, independents, food trends, commodities prices, buying trends and fresh produce.

Part 2, in the Jan. 7 issue, will feature the Washington outlook, with reports on pending legislation, tax reform and plans of the regulatory agencies as they pertain to food service. The outlook for hotels, hotel food service and advertising and promotions will also be discussed.

Part 3, which will appear in the Jan. 14 issue, will feature the State Legislative outlook, including news about antidrunk-driving campaigns all across the country.

Losers top gainers in slow pre-Christmas trading

(Continued from page 66)

103 issues traded on heavier volume.

The *NRN* Index posted a slight gain relative to the Dow for the full 52-week period because in the last 52 weeks the Dow fell 66.26 points from 1,242.17 a year ago.

Two small issues were added to the *NRN* Index during the week, expanding the market-value gauge to 87 issues. Both of them, Fresher Cooker and Nankin Express, were unchanged in the week's trading, with Fresher Cooker closing at $5 per share and Nankin Express at $1.75. Their impact on the index was insignificant.

Good Taco, which said it was shutting down all operations, topped both the price-loser list and the volume-surger list. Good Taco lost 94¢, to close at 44¢, as more than 10% of its outstanding shares traded hands.

Kelly-Johnston, whose auditors gave a qualified opinion, lost 25¢, to close at $1.13 after hitting a 52-week low of 75¢ in the week.

American Restaurants, a Wendy's franchisee that has fallen behind on its expansion schedule, plummeted 50¢, to $2.38, a new low for the year.

The upside listings were topped by Mr. Steak, which gained 25¢, to close at $1.75. Sis Corp., a Sister's chicken-and-biscuits outfit, recovered 50¢.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Good Taco	441.9	Garcias Scot	182.6
Rest Assoc	305.8	Cucos Inc	166.7
Naugles Inc	276.0	Pancho Mex Buffet	131.7
Maverick Rest	225.0	Acapulco Rest	130.2
Bob Evans Farms	186.5	Calibre Cp	130.0

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Mr Steak	16.7	Pancho Mex Buffet	9.6
SIS Cp	15.4	Cucos Inc	9.1
Jerrico Inc	14.9	Chi-Chi's	8.9
Winners Cp	11.6	Capt Crab	7.7
Ramada Inns	9.8	Consul Restaurant	7.7

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Good Taco	- 68.2	Naugles Inc	- 15.8
Kelly-Johnston	- 18.2	Concept Dev	- 14.8
Amer Rest	- 17.4	Diversifoods	- 12.7
Garcias Scot	- 16.7	Nathans	- 11.1
Ritzys G D	- 15.8	Peoples Rest	- 11.1

Company and Market	Stock Market											Financial Update																	
	Price							Volume																					
													Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	12-14-84 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio			New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
		Amt.	Pct.	High	Low	High	Low	Total	% Out				Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs O	3.75	- .13	- 3.2	4.13	3.75	8.75	3.50	213	.60	.32	87.5	10.7	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rest O	3.50	- .13	- 3.4	3.75	3.50	6.00	3.50	302	1.22	.53	130.2	NE	.00	.0	—	9 mos.	07-84	19.0	86.3	.0	- 100.0	.01	- 91.7	28.3	.7	.3	NE	.14	NE
Amer Rest O	2.38	- .50	- 17.4	2.75	2.38	6.00	2.38	239	1.06	.65	63.1	9.9	.00	.0		6 mos.	07-84	4.5	18.4	.1	.0	.03	- 57.1	9.0	20.0	.2	.0	.10	- 23.1
ARA Services N	71.38	.25	.4	71.38	71.00	71.38	40.25	6,032	5.00	3.51	42.5	13.8	2.10	2.9	—	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19	15.1
Assoc Hosts M	13.88	- .75	- 5.1	14.38	13.63	17.13	10.50	1,424	3.22	5.22	- 38.3	16.3	.12	.9	—	fiscal	09-84	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char A	2.00	.00	.0	2.00	1.88	4.75	1.88	726	1.29	.71	81.7	1.5	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Bob Evans Farms M	17.50	.25	1.4	17.75	17.25	23.75	14.75	2,424	1.49	.52	186.5	17.0	.30	1.7	NEW	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp M	2.50	.00	.0	2.50	2.00	9.00	2.00	140	.46	.20	130.0	NE	.00	.0	—	fiscal	07-84	1.1	- 31.3	(.6)	NC	(.20)	- 100.0	11.5	82.5	(1.5)	- 100.0	(.51)	- 100.0
Calny Food M	9.13	.25	2.8	9.13	8.75	10.75	7.25	158	.35	1.77	- 80.2	16.0	.16	1.8	—	6 mos.	08-84	13.0	19.3	.5	.0	.12	- 7.7	25.0	14.7	1.4	40.0	.31	19.2
Capt Crab M	1.75	.13	7.7	1.75	1.38	6.13	1.38	1,367	1.20	1.66	- 27.7	NE	.00	.0		9 mos.	05-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp N	8.88	.00	.0	9.25	8.75	10.88	7.13	394	.51	.65	- 21.5	13.4	.07	.8	—	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28	- 6.7
Chi-Chi's M	12.25	1.00	8.9	12.50	10.88	24.88	10.00	8,267	3.07	4.50	- 31.8	18.3	.00	.0	—	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chilis Inc O	20.38	- .25	- 1.2	21.00	20.00	24.25	12.75	1,655	3.68	4.28	- 14.0	34.5	.00	.0	—	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch N	28.25	- .50	- 1.7	29.00	27.75	30.50	21.25	5,931	3.15	1.97	59.9	14.7	.80	2.8	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods N	14.38	.38	2.7	14.38	13.63	16.94	9.91	710	.81	1.51	- 46.4	11.2	.16	1.1	NEW	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev O	5.75	- 1.00	- 14.8	6.00	5.75	17.69	5.75	1,449	2.80	2.28	22.8	11.1	.00a	.0	—	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts M	5.00	.00	.0	5.00	5.00	9.50	4.75	243	.69	.45	53.3	14.3	.00	.0	—	fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant M	5.25	.38	7.7	5.38	4.75	14.88	4.50	1,756	3.90	2.23	74.9	21.0	.00	.0	—	3 mos.	08-84	21.1	33.5	.0	- 100.0	.01	- 87.5	21.1	33.5	.0	- 100.0	.01	- 87.5
Cracker Barrel M	13.50	- .75	- 5.3	14.25	13.50	23.50	11.75	129	.36	4.17	- 91.4	14.4	.14	1.0	—	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc O	3.00	.25	9.1	3.50	2.75	5.00	2.75	144	1.28	.48	166.7	15.8	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc N	40.50	- .38	- .9	41.00	40.00	41.63	30.25	5,275	3.41	4.08	- 16.4	15.2	.72	1.8	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods M	8.63	- 1.25	- 12.7	8.75	8.00	19.13	8.00	77,282	23.05	11.21	105.6	9.5	.26	3.0	—	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer O	12.50	- 1.38	- 9.9	13.63	12.50	14.50	11.50	1,626	3.33	3.54	- 5.9	NM	.00	.0	—	6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts M	24.00	.00	.0	24.25	23.63	26.25	18.13	578	1.22	1.01	20.8	13.2	.32	1.3	—	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44	16.1
El Chico M	8.38	.00	.0	8.38	8.13	14.75	7.75	702	1.51	1.50	.7	10.6	.00	.0	NEW	6 mos.	11-84	20.1	4.7	.9	.0	.19	- 5.0	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest N	11.13	.25	2.3	11.13	10.63	14.63	9.00	380	.34	.27	25.9	12.1	.00	.0	—	9 mos.	09-84	65.9	17.3	4.1	17.1	.35	25.0	189.0	20.5	9.0	32.4	.78	44.4
Fast Food Oper O	.94	.00	.0	1.06	0.88	2.38	.69	695	1.18	1.14	3.5	15.6	.00	.0	—	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes M	6.75	.25	3.8	6.88	6.63	9.13	4.00	944	1.35	1.72	- 21.5	NE	.00	.0	—	9 mos.	09-84	3.3	NC	(.3)	NC	(.05)	NC	6.6	NC	(.7)	NC	(.11)	NC
Fresher Cooker O	5.00	.00	.0	5.13	5.00	6.75	4.88	35	.21	.48	- 56.3	NE	.00	.0		fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's A	15.00	.25	1.7	15.88	15.00	16.38	12.00	112	.26	.17	52.9	16.7	.22	1.5	—	3 mos.	08-84	40.5	7.4	1.7	.0	.19	- 52.5	40.5	7.4	1.7	.0	.19	- 52.5
Fuddruckers Inc M	10.38	.00	.0	10.50	10.00	17.50	9.25	1,409	2.17	1.74	24.7	NM	.00	.0	—	9 mos.	09-84	7.2	NC	.6	NC	.09	NC	16.9	172.6	.0	- 100.0	.00	- 100.0
Garcias Scot M	1.88	- .38	- 16.7	2.25	1.63	8.50	1.63	3,114	5.20	1.84	182.6	NE	.00	.0	—	6 mos	06-84	12.6	40.0	.2	NE	.03	NE	29.7	57.1	.0	NE	.00	NE
Good Taco M	.44	- .94	- 68.2	0.44	0.25	7.00	.25	3,071	10.35	1.91	441.9	NE	.00	.0	—	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet O	12.50	.00	.0	13.25	12.50	12.75	9.75	0	.00	.18	-100.0	10.8	.00	.0	—	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger M	4.13	- .38	- 8.3	4.38	4.00	9.00	3.63	297	1.05	1.27	- 17.3	22.9	.00	.0	—	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18	NC
Intl Dairy Queen O	41.00	.00	.0	42.00	41.00	41.00	32.50	47	.23	.20	15.0	11.9	.00	.0	—	9 mos.	08-84	40.8	8.2	(26.5)	- 100.0	1.61	15.8	106.5	14.3	6.7	8.1	3.03	20.2
Intl King Tab M	16.13	.25	1.6	16.13	15.75	18.63	11.38	141	.50	1.78	- 71.9	12.0	.00a	.0	—	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest M	14.25	.13	.9	14.38	13.75	16.25	10.38	482	2.11	1.46	44.5	12.8	.20	1.4	—	9 mos.	06-84	22.2	32.1	1.0	25.0	.42	20.0	48.7	23.0	1.9	26.7	.80	15.9
Jerrico Inc M	16.38	2.13	14.9	16.50	14.25	18.50	11.88	8,338	5.30	4.58	15.7	12.6	.12	.7	—	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp A	2.88	.00	.0	3.13	2.88	5.63	1.13	403	1.80	3.33	- 45.9	NE	.00	.0	—	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl M	15.50	- .25	- 1.6	15.63	15.25	31.75	14.63	977	1.38	3.01	- 54.2	9.6	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston M	1.13	- .25	- 18.2	1.50	0.75	14.25	.75	5,775	6.77	4.09	65.5	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	27.50	- .13	- .5	27.88	27.13	32.00	23.63	534	.44	.28	57.1	19.2	.54	2.0	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp M	14.38	.00	.0	14.50	14.25	15.25	11.38	122	.24	.26	- 7.7	9.9	.28	1.9	—	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp N	70.13	- .63	- .9	71.50	70.00	80.25	58.50	2,004	.78	.68	14.7	15.5	.44	.6	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest O	3.00	.00	.0	3.25	3.00	7.00	2.88	648	1.30	.40	225.0	23.1	.00	.0	—	6 mos.	07-84	2.9	NC	.3	NC	.05	NC	5.3	NC	.5	NC	.10	NC
McDonald's Cp N	52.25	1.50	3.0	52.50	50.38	55.88	40.84	11,206	1.27	1.10	15.5	12.3	.82	1.6	—	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc M	17.00	.00	.0	17.25	16.75	19.13	13.13	1,643	1.20	.95	26.3	11.1	.48	2.8	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36	16.1
Mr Steak O	1.75	.25	16.7	2.00	1.38	3.34	1.13	1,050	2.19	.99	121.2	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)	- 100.0
Nankin Express O	1.75	.00	.0	1.88	1.75	3.63	1.75	160	.71	.76	- 6.6	NE	.00	.0		fiscal	01-84	NC	NC	NC	NC	NC	NC	.6	100.0	(.3)	NE	(.24)	NE
Nathans O	2.00	- .25	- 11.1	2.25	2.00	2.84	1.78	148	.66	.51	29.4	7.7	.00a	.0	—	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18	63.6

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

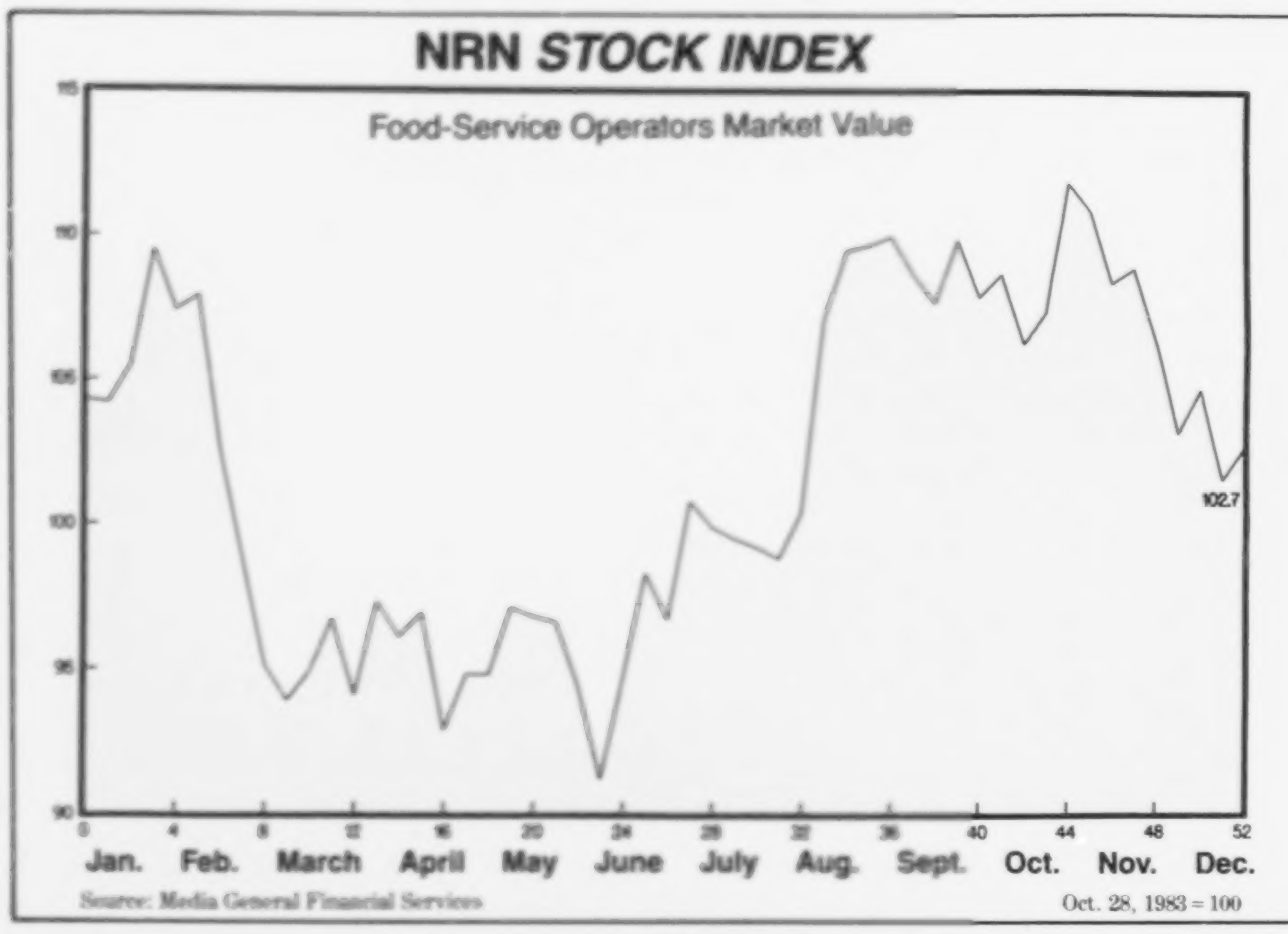
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

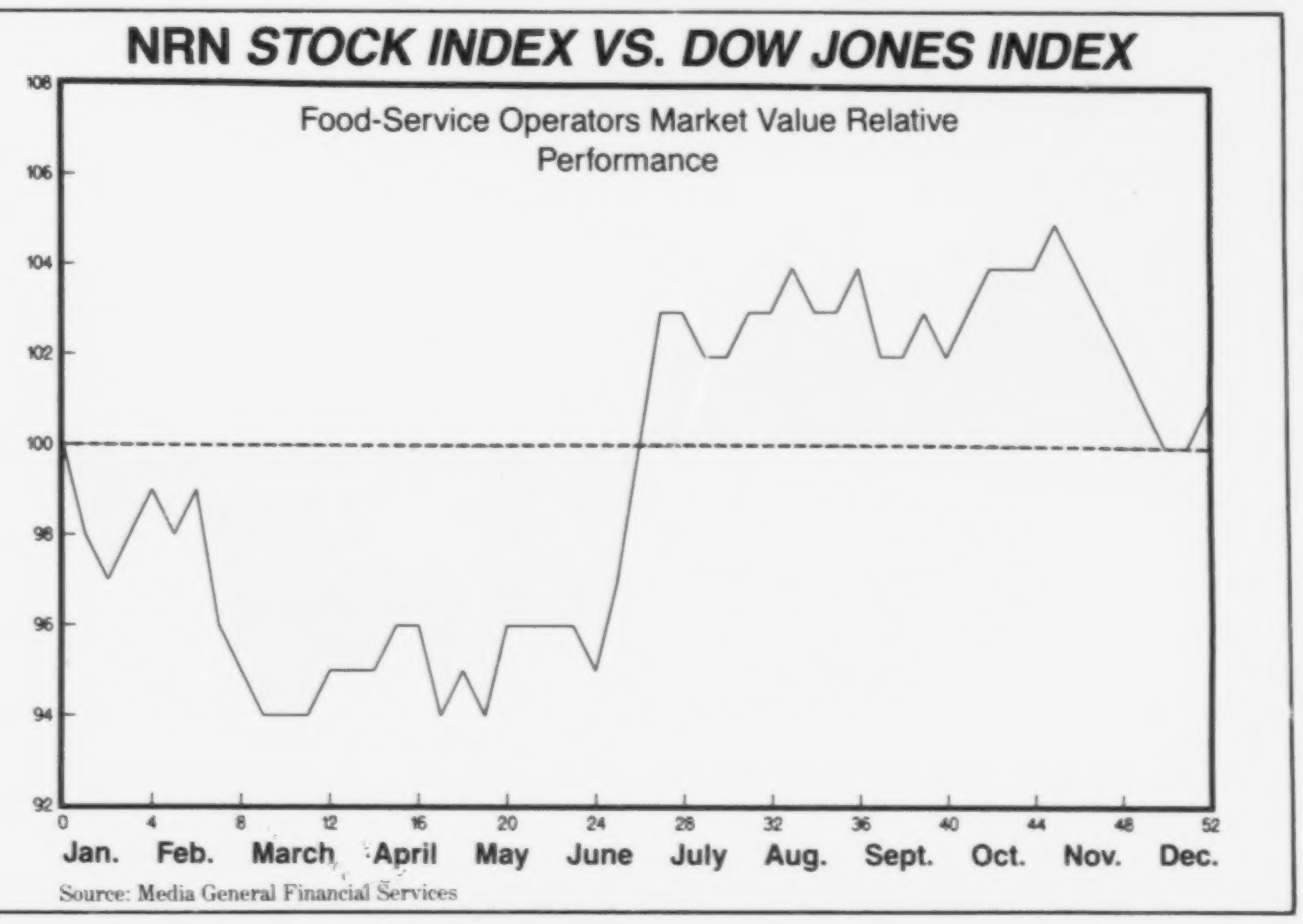


NRN STOCK INDEX

Food-Service Operators Market Value

Source: Media General Financial Services

Oct. 28, 1983 = 100



NRN STOCK INDEX VS. DOW JONES INDEX

Food-Service Operators Market Value Relative Performance

Source: Media General Financial Services

	Stock Market											Financial Update																	
	Price							Volume																					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	12-14-84														New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Nat'l Pizza O	7.50	- .25	- 3.2	8.25	7.50	9.75	7.50	53	.10	.39	- 74.4	9.9	.00	.0	.....	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc M	6.00	- 1.13	- 15.8	7.00	5.50	20.25	6.00	3,998	8.61	2.29	276.0	NE	.00	.0	.....	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)	- 100.0
1 Potato 2 O	2.50	- .25	- 9.1	2.75	2.50	12.50	2.50	230	1.05	1.06	- .9	50.0	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC
Old Fashion Fd O	4.63	- .13	- 2.8	5.25	4.63	7.25	4.63	50	.36	.37	- 2.7	8.4	.00	.0	.....	3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13	- 13.3
Pancho Mex Buffet M	7.13	.63	9.6	7.38	6.38	8.00	5.88	413	1.46	.63	131.7	13.0	.13	1.8	.....	fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest M	.50	- .06	- 11.1	0.63	0.38	8.13	.38	12,310	14.34	6.83	110.0	NE	.00	.0	.....	fiscal	06-84	NC	NC	(27.6)	- 100.0	(3.30)	- 100.0	30.6	12.1	(29.6)	- 100.0	(3.54)	- 100.0
Piccadilly Caf M	16.75	- .88	- 5.0	17.50	16.50	24.25	13.13	902	1.49	1.07	39.3	10.3	.60	3.6	.....	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn A	7.13	- .50	- 6.6	7.75	6.88	14.50	6.88	412	1.35	1.10	22.7	6.9	.08	1.1	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks M	9.50	- .88	- 8.4	10.38	8.75	16.63	8.75	748	1.69	1.00	69.0	12.7	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys N	12.13	.00	.0	12.25	11.50	24.88	11.50	6,179	6.44	4.03	59.8	7.1	.40	3.3	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	3.38	.00	.0	3.63	3.38	7.00	2.38	520	1.88	1.45	29.7	30.7	.00	.0	.....	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants M	10.00	.50	5.3	10.00	8.75	18.75	8.75	887	1.59	1.21	31.4	15.9	.00	.0	.....	3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23	35.3
Rest Assoc A	6.50	- .75	- 10.3	7.00	5.63	9.50	5.63	976	3.49	.86	305.8	9.2	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys M	11.75	.00	.0	12.25	11.75	14.25	9.00	27	.12	.55	- 78.2	13.8	.00	.0	.....	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D M	2.00	- .38	- 15.8	2.25	1.88	9.00	1.88	994	1.92	1.02	88.2	NE	.00	.0	.....	9 mos.	09-84	4.4	NC	(.5)	NC	(.11)	NC	10.6	NC	(1.6)	NC	(.31)	NC
Rusty Pelican M	14.75	- .63	- 4.1	15.75	14.75	18.25	11.38	331	1.19	3.19	- 62.7	17.4	.00	.0	.....	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak M	18.50	.75	4.2	18.50	17.75	23.75	15.50	1,537	3.57	1.99	79.4	26.8	.00	.0	.....	9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53	47.2
Saga Corp N	31.50	1.00	3.3	32.00	30.63	35.50	24.63	1,499	1.15	1.02	12.7	12.8	.44	1.4	.....	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef O	7.25	- .63	- 7.9	7.75	7.25	11.75	6.75	158	1.23	.68	80.9	12.5	.00	.0	.....	3 mos.	09-84	6.9	13.1	.2	0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley M	7.63	- .13	- 1.6	7.88	7.50	11.00	7.13	1,165	2.96	3.54	- 16.4	5.1	.00	.0	.....	9 mos.	09-84	15.7	- 38.9	3.0	500.0	.76	484.6	48.3	- 32.7	5.3	1666.7	1.35	1587.5
Shoney's Inc M	29.38	- .50	- 1.7	30.00	29.25	35.13	20.00	788	.38	.95	- 60.0	21.3	.16	.5	.....	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06	24.7
Shoney's South M	12.75	- .25	- 1.9	13.25	12.75	16.59	11.00	179	.32	.63	- 49.2	10.8	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	23.5
SIS Cp M	3.75	.50	15.4	3.75	3.25	9.50	3.25	82	.53	.47	12.8	26.8	.00	.0	.....	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl M	14.00	- 1.25	- 8.2	14.75	14.00	18.75	8.75	318	.47	.49	- 4.1	11.2	.00	.0		3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers M	10.00	.00	.0	10.25	10.00	11.25	8.00	233	.86	.85	1.2	12.2	.06	.6	.....	9 mos.	09-84	14.5	20.8	.5	25.0	.18	20.0	42.3	23.7	1.6	14.3	.60	1.7
So Hospitality M	4.63	.13	2.8	4.63	4.38	5.13	3.75	471	.98	1.38	- 29.0	13.6	.00	.0	.....	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva M	7.75	.00	.0	8.25	7.75	10.00	7.00	70	.31	.61	- 49.2	18.5	.00	.0	.....	3 mos.	08-84	6.6	94.1	.3	50.0	.14	16.7	6.6	94.1	.3	50.0	.14	16.7
TGI Friday's N	8.00	.13	1.6	8.38	7.88	15.88	7.88	1,358	1.19	.97	22.7	13.6	.00	.0	.....	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas O	2.25	.00	.0	2.75	2.25	6.25	2.25	66	.44	.23	91.3	NE	.00	.0	.....	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)	NC
Transworld N	30.00	- .38	- 1.2	30.63	29.88	33.53	23.63	6,530	2.32	3.25	- 28.6	4.3	.40	1.3	.....	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1470.1	7.1	85.5	89.6	2.39	NE
USACafes M	3.63	.13	3.6	3.75	3.50	5.00	2.75	76	.15	.27	- 44.4	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants M	14.38	- .38	- 2.5	14.50	13.63	21.63	13.25	2,979	4.49	2.19	105.0	12.1	.12	.8	.....	9 mos.	07-84	67.7	127.9	2.7	68.8	.41	57.7	155.1	167.4	5.8	100.0	.87	64.2
Victoria Stations M	3.13	- .25	- 7.4	3.25	2.63	8.13	2.63	2,017	5.70	8.51	- 33.0	NE	.00	.0	NEW	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl N	17.13	.00	.0	17.50	17.00	20.50	13.13	3,139	.58	1.17	- 50.4	14.3	.28	1.6	.....	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer O	10.00	.00	.0	11.00	10.00	13.00	9.00	21	.17	.45	- 62.2	10.9	.20	2.0	.....	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33	- 23.3
Winners Cp N	6.00	.63	11.6	6.00	5.50	15.88	5.13	560	1.28	2.70	- 52.6	12.2	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																													
Am Motor Inns A	21.25	.00	.0	21.25	21.13	21.75	12.50	18	.02	.12	- 83.3	13.4	.16	.8	.....	fiscal	07-84	52.8	17.1	5.9	25.5	.51	- 38.6	201.1	23.8	18.4	32.4	1.59	- 36.9
Brock Hotel Cp N	3.00	- .13	- 4.0	3.13	2.63	7.50	2.63	1,776	1.35	1.53	- 11.8	NE	.10	3.3	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels N	55.13	.00	.0	55.63	54.50	58.00	45.50	2,070	.79	.97	- 18.6	22.1	1.80	3.3	.....	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns N	40.50	.25	.6	40.63	39.00	51.75	35.25	3,706	1.04	1.84	- 43.5	11.8	.90	2.2	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn N	23.13	.63	2.8	23.50	22.50	25.50	16.00	707	.49	.44	11.4	19.3	.12	.5	.....	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Other Companies with Food-Service Operations																													
Allegheny Bev M	17.00	.38	2.3	17.00	16.25	20.00	13.50	261	.44	1.91	- 77.0	11.2	.80	4.7	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut N	8.00	- .50	- 5.9	8.50	8.00	14.56	7.75	293	.64	.71	- 9.9	88.9	.48	6.0	.....	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09	- 89.7
Disney, Walt N	58.50	1.00	1.7	58.50	57.00	68.50	45.25	3,244	.96	3.50	- 72.6	21.4	1.20	2.1	.....	fiscal	09-84	463.2	27.6	12.1	- 50.6	.38	- 45.7	1656.0	26.7	97.8	4.9	2.73	1.1
Esteban Foods O	1.25	.00	.0	1.38	1.25	4.13	1.25	189	.81	1.31	- 38.2	NM	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	50.88	1.88	3.8	50.88	48.50	60.00	41.63	3,889	.86	1.05	- 18.1	10.9	2.24	4.4	.....	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20	- 21.1
Horn & Hardart A	10.00	- .13	- 1.2	10.13	9.75	21.19	8.63	1,593	1.29	1.57	- 17.8	11.6	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp N	27.63	1.38	5.2	27.75	25.75	30.50	24.13	1,005	.53	1.16	- 54.3	12.6	1.80b	6.5	.....	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc N	41.75	.50	1.2	42.00	40.75	45.75	34.50	6,787	.72	1.05	- 31.4	12.2	1.68	4.0	.....	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co N	43.25	.63	1.5	43.63	42.00	44.63	33.00	1,958	.45	.68	- 33.8	10.8	1.56	3.6	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France M	11.88	- .63	- 5.0	11.88	11.50	15.25	10.50	306	.28	.50	- 44.0	20.1	.23	1.9	.....	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos.	First quarter of fiscal year
6 mos.	First six months of fiscal year
9 mos.	First nine months of fiscal year
fiscal	Fiscal year
NEW	New report since last issue

General Field Footnotes

NA	Not available or not applicable.
NC	Data required for calculation currently incomplete in our files.
NE	Negative earnings invalidate calculations.
NM	No meaningful figure.
a	Under dividend amount, an 'a' indicates a stock dividend.
b	Indicates cash plus stock dividend when applied to dividend amount column.

Market

N	New York Stock Exchange
A	American Stock Exchange
O	NASDAQ Over-the-Counter
M	NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

Industry leaders and Congress prepare for Capitol Hill battle

—Focus/F5-8

Hochstein: Like some wines, 'Tastings' improves with age

—Focus/F2

Nation's

Restaurant News®

The Weekly Newspaper of the Food-Service Industry

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Norman Brinker **Sam Battistone Jr.** **Larry Lavine** **Philip Romano**

WHAT MOTIVATES ENTREPRENEURS

Turn-ons:
- Achievement
- Independence/self-direction
- Challenge
- Affiliation with other people, sometimes
- Money, but only as a measure of accomplishment

Turnoffs:
- Power
- Status
- Bosses

Personality/Work Habits:
- Persistence
- Hard Working
- Ability to learn from mistakes
- High tolerance of ambiguity
- Action-oriented
- High sense of urgency
- Moderate risk taking

Source: Zenas Block, New York University

Inside the entrepreneur

The good ones have to 'know when to get out'

By Rick Telberg

Recent headlines tell only part of the story:
- Chili's Lavine resigns.
- Romano to resign as Fuddruckers' chief executive officer.
- Battistone acquires Shari's coffee shops.

Leading management experts say the wave of restaurateurs who are leaving the companies they founded, or starting new ventures, illustrates a radical new era in American entrepreneurialism.

"Good entrepreneurs have to know when to get out," says Atid Kaplan, a professor of hotel and restaurant management at the University of Denver. "Most don't. Most wait until they find out the hard way that good entrepreneurs are the worst corporate executives in the world."

But, the experts seem to agree, today it is easier than ever for people to form businesses, build them, sell them, or turn them over to oth-

*(See **BOSS**, page 55)*

INSIDE *NRN*

FLYING COLD

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Vicorp's real test comes now

By Richard Martin

West Coast Editor

DENVER — Vicorp Restaurants, vowing to curb its voracious appetite for chain acquisitions, has begun flexing and toning its newfound corporate brawn in the face of its greatest challenge to date.

News Analysis

Vicorp's big test is the assimilation of the 175-unit remnants of Sambo's, the largest and most recent purchase in a nearly two-year-long series of diverse, and thus far fortifying, chain buyouts. These acquisitions have transformed the regional pancake house chain into a multifaceted national restaurant giant totaling 526 units, some four times its former size.

While the risks inherent in

*(See **VICORP**, page 55)*

Independents hit the ceiling

Plan to cap deductions raises fears of lost profits

By David Zuckerman

'The Regan proposal is an extension of an ongoing debate among America's lawmakers.'

Regan

'Every time there is a new tax proposal, this issue is on the agenda. It's a disaster.'

Margittai

Much to the dismay of independent restaurateurs across the nation, the slashing of business meals tax deductions appears irrevocably linked to curing America's fiscal sickness, at least in the minds of many politicians. The latest proposal, advanced by Treasury Secretary Donald Regan, will once again test the mettle of the food-service industry lobbying apparatus.

At issue in the continuing battle is whether business entertainment deductions in general constitute a drain on, or a boon to, the nation's revenue base.

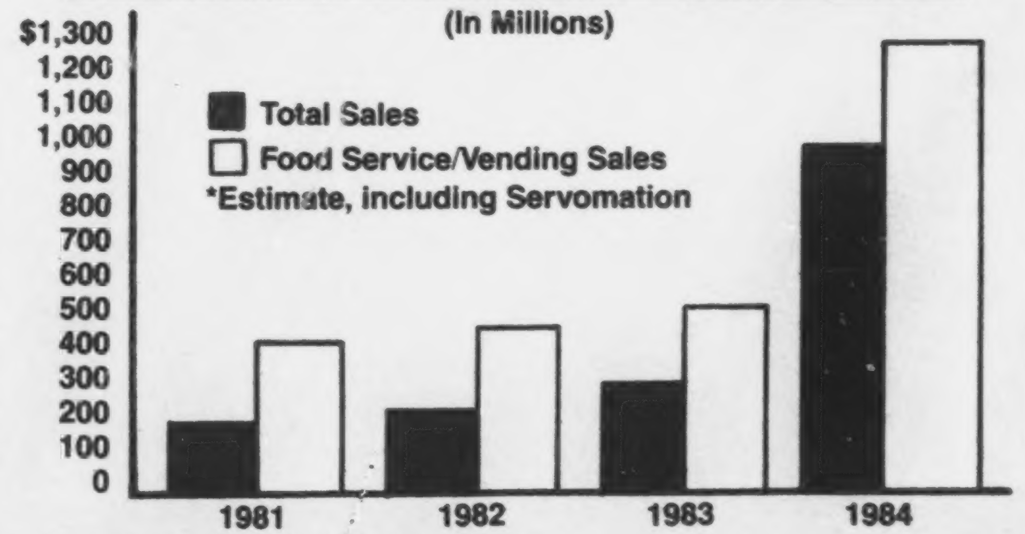
Among restaurateurs polled in a recent informal survey, the mood was unanimous that capping business meal deductions—as Secretary Regan has proposed in his recent tax simplification plan—may have disastrous effects on both the food-service industry and the nation as a whole.

"This can only suppress the economy, not help at all," said Tony Vallone, owner of Tony's in Houston. "We're the fourth-largest industry in the country."

National Restaurant Association president Harris O. Machus, who operates restau-

*(See **TAX**, page 55)*

ALLEGHENY'S CHANGING REVENUE MIX



Source: Company reports, *NRN* research

Allegheny moves on ARA with Servomation buyout

By Peter Romeo

BALTIMORE — Allegheny Beverage Corp.'s pending acquisition of Servomation Corp.—its 14th purchase of a contract feeder in the last 15 months—is expected to complete Allegheny's transformation from a soft-drink bottler to one of the nation's biggest contract caterers.

The deal, scheduled to be completed by March 15, will boost Allegheny's contract feeding sales to $1 billion a year, second only to ARA Services, said Allegheny senior vice president Harry Conn. The Servomation acquisition will also expand the scope of Allegheny's contract services.

Macke Co., Allegheny's only food-service subsidiary

*(See **BUY-UP**, page 55)*

'Taste of America' set for inaugural weekend

By Paul Frumkin

WASHINGTON — Nearly 40 restaurateurs from around the country will be contributing their time and money to participate in "A Taste of America," a food and wine festival to be held here during the upcoming inaugural weekend.

Scheduled to run from Jan. 18 through midday Jan. 20, the festival will be located on the lower floor of the Convention Center and will feature approximately 70 restaurant and winery exhibits. Inauguration attendees who must come to the Convention Center to pick up tickets to the weekend's various events will be able to sample food and wines available at the individual booths.

Although "A Taste of America" officially falls under the auspices of Michael Deaver, chairman of the President's Inaugural Committee, actual responsibility for the event is being shared by co-chairmen William Anton, owner of the Bull Market restaurant in Detroit, and Robert Lawrence Balzer, food and wine writer for the *Los Angeles Times* and *Travel/Holiday* magazine.

Balzer, whose grandfather catered Abraham Lincoln's second inauguration, explained that the list of participants had not been crystallized at presstime. He noted, however, that this year's festival will almost certainly be larger than the first "Taste of America," held during the 1981 inauguration, with 37 restaurants and 18 wineries in attendance.

Scene inside the Washington Convention Center during food and wine festival held in 1984.

WIND
TASTE
TASTE

Michael Comisar, owner of the Maisonette in Cincinnati and the Golden Lamb in Lebanon, Ohio, participated in 1981 and plans to return this year—despite the cost.

"In 1981 the Maisonette spent more than $9,700 to be in the festival," he said. "It's an honor, but an expense."

This year Comisar has entered the Golden Lamb, and he plans to serve a country pâté with Cumberland sauce. "This is important because it shows a presence of the foodservice industry at the inauguration," he added.

And while there will be a number of unofficial inaugural balls held throughout the city over the weekend, a spokesman in Deaver's office said that the White House will not be hosting any large functions. "There may be a small inaugural dinner for perhaps 50 people on Sunday evening, but probably no more than that," she said.

The White House has not hosted an official inaugural ball since before President Harry Truman took office.

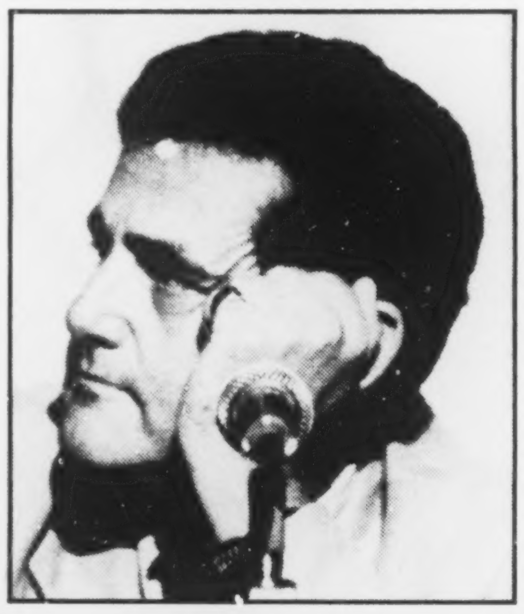
Christmas fire strikes 2nd Jetty's

NRN *West Coast Bureau*

MALIBU BEACH, Calif. — Bob Morris has again fallen victim to the Jetty's Christmas Curse.

Morris, who lost his Jetty's dinnerhouse at Malibu Beach to an electrical fire on Christmas Day five years ago, saw the newly rebuilt Jetty's reduced to seaside ashes again last month, just days before the holiday.

The six-month-old Jetty's, which combined elements of Morris' high-grossing Gladstone's 4 Fish and RJ's The Rib Joint concepts, was the newest unit of W. R. Grace's Mor Food 'N Fun division, over which Morris presides.



Bob Morris

Investigators believe that a bonfire built on the sand under the piling-supported restaurant may have sparked the conflagration, which caused damage placed at well in excess of $1 million.

Police wary of chef-killer report

NRN *West Coast Bureau*

SAN FRANCISCO — Despite reports in a San Francisco newspaper column, police are not convinced that someone is trying to kill the great chefs of this city.

San Francisco Chronicle columnist Herb Caen wrote Dec. 17: "The police are keeping a close watch on a celebrity chef, who, at the time of the murder of [renowned chef] Masataka Kobayashi, received an anonymous note that said, in effect, 'You're next!' Whoever wrote it exhibited a thorough knowledge of Masa's habits; hence the note is considered a valuable clue."

Police don't share Caen's view of the letter, or, if they do, they are not saying so publicly. Another chef did bring in "a bunch of incoherent letters" from "a nut," a San Francisco Police Department spokesman said. It mentioned "three kids . . . an insurance policy . . . and a cook," he said, "but it didn't even mention Masa's name."

When asked whether the police considered the letter a valuable lead, the spokesman said they did not. He saidthat the chef who received the letters speculated they might have been sent by one of his ex-employees.

The Japanese-born, Paris-trained Kobayashi gained celebrity chef status with the success of Le Plaisir restaurant in New York City. He was later chef at Auberge du Soleil in California's Napa Valley before he opened Masa's in San Francisco last year to positive notices.

Kobayashi's death is under investigation, and police say they have no suspects, though they earlier questioned at length two men—one an employee of Masa's, the other, a man who had impersonated the chef for more than a year. The two men were later cleared through polygraph tests.

The chef was found in his apartment Nov. 13 dead from "multiple traumatic injuries," the coroner's report says. Neighbors told police they had heard a "drunken argument" and the sound of a body falling.

COMMODITIES

Few surprises ahead for commodity markets in '85

By Gary S. Friedman
Commodities Analyst

What heralds the new year ahead in the commodity markets? Many an analyst is busy making predictions. And surprisingly, short of a few contrary voices, there are few surprises.

The market is decidedly bullish for world agricultural prices. It's not due only to the overproduction in virtually all commodities, or to the fact that the world economy is not all expanding in synch, allowing net importing countries to purchase what the producing countries export. The answer is that few people expect anything can be done immediately to change it.

Consider that in the last quarter of 1984 the Federal Reserve Board cut the discount rate twice. This usually is reflected in weakening the dollar, and alternately making our commodity exports more competitive on world markets. This time the dollar barely budged and the commodity markets barely took notice. The world situation is such that foreign investors find refuge in American dollars at varying levels of interest rates, which prevents positive impact on our commodity markets.

One of the difficult things in analyzing the commodities markets is the timing of the same commodity harvested throughout the year. When the American producer is just feeling he's earned his relaxation because the crop is in, somewhere else—South America, the Soviet Union, China—the process begins anew.

Ask the analysts, and they'll tell you the longer-term trends, but they have difficulty in determining the movement in the very short term. So while the prediction is for bearish prices in most markets, expect some deviations from the sensible.

PRICE MOVEMENT AT A GLANCE

Cash Prices	Dec. 26, 1984	Year Ago
Broilers, dressed, AA, N.Y., lb.	$0.4750	$0.6313
Butter, AA, Chicago, lb.	$1.4325	$1.41
Eggs, large, white, Chicago, doz.	$0.55-$0.57	$1.03
Soybeans #1, yel, Cen. Ill., bu.	$5.84	$8.17
Soybean oil, crude, Decatur, lb.	$0.2853	$0.2917
Wheat, #2, HRW, K.C., bu.	$3.7225	$3.8625

Source: NRN Research

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Index posts 2nd straight gain as interest rates drop

(Continued from page 58)

tels, motels and casinos and other companies that have food-service operations.

Sixty of the 105 stocks recorded volume heavier than their 12-week averages, with 44 down and one unchanged. In the week before, as many traded heavier as lighter.

American Restaurants led the list of volume surgers and came in second on the price-gainers tally. The Los Angeles-area Wendy's franchisee added 38¢ per share to close the week at $2.75 on volume more than 400% more active than the stock's 12-week average.

Concept Development topped the price-winners list, up a whopping $2.13 to $7.88, on volume half as light as normal.

Winners Corp. was the third-biggest winner of the week, closing up 88¢, at $6.88.

Other winners included Vicorp Restaurants, up $1.88, to $16.25; Sis Corp., up 50¢ to $4.25; Piccadilly Cafeterias, up $2.13, to $18.88.

Diversifoods gained 88¢, to close at $9.50. Taco Viva was up 75¢, to $8.50.

Consul Restaurants rose 50¢, to $5.75. Consul said it lost $471,000 in its second quarter, compared to a net profit the same time last year of $120,000.

Po' Folks was up 88¢, to $10.38.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Concept Dev	37.0	Piccadilly Caf	12.7
Amer Rest	15.8	Diversifoods	10.1
Winners Cp	14.6	Taco Viva	9.7
SIS Cp	13.3	Consul Restaurant	9.5
Vicorp Restaurants	13.0	Po-Folks	9.2

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Amer Rest	418.7	Primo Inc	177.1
Servico Inc	378.9	Intl Dairy Queen	160.0
Luby's Cafe	372.7	1 Potato 2	135.5
SIS Cp	331.7	Restaurant Sys	121.3
Calibre Cp	293.1	Hilton Hotels	116.8

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Capt Crab	- 21.4	Victoria Stations	- 12.0
Primo Inc	- 14.8	So Hospitality	- 10.8
Nankin Express	- 14.3	Calibre Cp	- 10.0
Good Taco	- 14.3	Rest Assoc	- 9.6
Peoples Rest	- 12.5	Maverick Rest	- 8.3

Company and Market	Stock Market: Price: 12-21-84 Close	Weekly Change Amt.	Weekly Change Pct.	Weekly Range High	Weekly Range Low	52-Week Range High	52-Week Range Low	Volume: Weekly Shares Traded Total	Weekly Shares Traded % Out	12-Week Avg. Vol. As % Out	Volume Trend Change	Financial Update: P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report: New Report	Period	Date Ended	Latest Quarter: Revenue Amt.	Revenue Chg.	Net Income Amt.	Net Income Chg.	E.P.S. Amt.	E.P.S. Chg.	Year-to-Date: Revenue Amt.	Revenue Chg.	Net Income Amt.	Net Income Chg.	E.P.S. Amt.	E.P.S. Chg.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ..... O	3.63	- .13	- 3.3	4.00	3.63	8.75	3.50	205	.57	.34	67.6	10.4	.00	.0	.....	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rest ..... O	3.63	.13	3.6	3.75	3.50	6.00	3.50	215	.87	.58	50.0	NE	.00	.0	.....	9 mos.	07-84	19.0	86.3	.0	- 100.0	.01	- 91.7	28.3	.7	.3	NE	.14	NE
Amer Rest ..... O	2.75	.38	15.8	3.13	2.50	6.00	2.38	1,263	5.55	1.07	418.7	14.5	.00	.0		9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
ARA Services ..... N	71.63	.25	.4	71.75	71.38	71.75	40.25	3,731	3.10	3.43	- 9.6	13.8	2.10	2.9	.....	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19	15.1
Assoc Hosts ..... M	13.50	- .38	- 2.7	14.00	13.50	17.13	10.50	588	1.33	4.80	- 72.3	15.9	.12	.9		fiscal	09-84	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char ..... A	1.88	- .13	- 6.3	2.00	1.75	4.75	1.75	563	1.00	.75	33.3	1.4	.00	.0	.....	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Bob Evans Farms ..... M	18.00	.50	2.9	18.50	17.50	23.75	14.75	1,050	.65	.55	18.2	17.5	.30	1.7	.....	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp ..... M	2.25	- .25	- 10.0	2.50	2.25	9.00	2.00	344	1.14	.29	293.1	NE	.00	.0	.....	fiscal	07-84	1.1	- 31.3	(.6)	NC	(.20)	- 100.0	11.5	82.5	(1.5)	- 100.0	(.51)	- 100.0
Calny Food ..... M	9.00	- .13	- 1.4	9.13	8.88	10.75	7.25	749	1.66	1.89	- 12.2	15.8	.16	1.8	.....	6 mos.	08-84	13.0	19.3	.5	.0	.12	- 7.7	25.0	14.7	1.4	40.0	.31	19.2
Capt Crab ..... M	1.38	- .38	- 21.4	1.63	1.38	6.13	1.38	1,987	1.74	1.61	8.1	NE	.00	.0	.....	9 mos.	05-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp ..... N	8.88	.00	.0	9.25	8.75	10.38	7.13	444	.57	.62	- 8.1	13.4	.07	.8	.....	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28	- 6.7
Chi-Chi's ..... M	12.13	- .13	- 1.0	12.63	11.88	24.88	10.00	6,937	2.58	4.50	- 42.7	18.1	.00	.0	.....	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chilis Inc ..... O	20.75	.38	1.8	21.25	20.63	24.25	12.75	862	1.92	4.27	- 55.0	35.2	.00	.0	.....	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch ..... N	29.38	1.13	4.0	29.50	28.25	30.50	21.25	2,708	1.44	1.81	- 20.4	15.3	.80	2.7	.....	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods ..... N	15.00	.63	4.3	15.63	14.00	16.94	9.91	2,343	2.68	1.64	63.4	11.7	.16	1.1	.....	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev ..... O	7.88	2.13	37.0	8.75	5.75	17.69	5.75	538	1.04	2.17	- 52.1	15.1	.00a	.0	.....	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts ..... M	5.00	.00	.0	5.00	5.00	9.25	4.75	177	.50	.43	16.3	14.3	.00	.0	.....	fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant ..... M	5.75	.50	9.5	5.88	5.25	14.88	4.50	1,676	3.72	2.45	51.8	23.0	.00	.0	.....	3 mos.	08-84	21.1	33.5	.0	- 100.0	.01	- 87.5	21.1	33.5	.0	- 100.0	.01	- 87.5
Cracker Barrel ..... M	14.50	1.00	7.4	14.50	13.50	23.50	11.75	406	1.14	2.84	- 59.9	15.4	.14	1.0	.....	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc ..... O	3.25	.25	8.3	3.75	3.00	5.00	2.75	74	.66	.48	37.5	17.1	.00	.0	.....	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc ..... N	41.75	1.25	3.1	41.75	39.13	41.75	30.25	12,960	8.38	4.10	104.4	15.7	.72	1.7	.....	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods ..... M	9.50	.88	10.1	9.63	8.50	19.13	8.00	49,437	14.75	10.19	44.7	10.4	.26	2.7	.....	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer ..... O	12.63	.13	1.0	13.38	12.63	14.50	11.50	1,260	2.58	2.91	- 11.3	NM	.00	.0	.....	6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts ..... M	23.50	- .50	- 2.1	24.38	23.50	26.25	18.13	770	1.63	1.06	53.8	12.9	.32	1.4	.....	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44	16.1
El Chico ..... M	8.25	- .13	- 1.5	8.50	8.13	14.75	7.75	335	.72	1.52	- 52.6	10.4	.00	.0	.....	6 mos.	11-84	20.1	4.7	.9	.0	.19	- 5.0	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest ..... N	11.25	.13	1.1	11.63	10.75	14.63	9.00	410	.37	.28	32.1	12.2	.00	.0	.....	9 mos.	09-84	65.9	17.3	4.1	17.1	.35	25.0	189.0	20.5	9.0	32.4	.78	44.4
Fast Food Oper ..... O	.94	.00	.0	1.00	0.94	2.31	.69	680	1.15	1.18	- 2.5	15.6	.00	.0	.....	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes ..... M	6.50	- .25	- 3.7	7.13	6.50	9.13	4.00	891	1.28	1.73	- 26.0	NE	.00	.0	.....	9 mos.	09-84	3.3	NC	(.3)	NC	(.05)	NC	6.6	NC	(.7)	NC	(.11)	NC
Fresher Cooker ..... O	5.00	.00	.0	5.25	5.00	6.75	4.88	66	.39	.47	- 17.0	NE	.00	.0		fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's ..... A	15.75	.75	5.0	15.75	15.13	16.38	12.00	82	.19	.16	18.8	17.5	.22	1.4	.....	3 mos.	08-84	40.5	7.4	1.7	.0	.19	- 52.5	40.5	7.4	1.7	.0	.19	- 52.5
Fuddruckers Inc ..... M	10.38	.00	.0	10.38	9.63	17.50	9.25	1,479	2.27	1.86	22.0	NM	.00	.0	.....	9 mos.	09-84	7.2	NC	.6	NC	.09	NC	16.9	172.6	.0	- 100.0	.00	- 100.0
Garcias Scot ..... M	1.75	- .13	- 6.7	2.13	1.63	8.50	1.63	2,177	3.63	2.07	75.4	NE	.00	.0		9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ..... M	.38	- .06	- 14.3	0.38	0.25	7.00	.25	989	3.33	2.04	63.2	NE	.00	.0	.....	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet ..... O	12.50	.00	.0	13.25	12.50	12.75	9.75	4	.06	.17	- 64.7	10.8	.00	.0	.....	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger ..... M	4.13	.00	.0	4.25	4.00	9.00	3.63	483	1.71	1.23	39.0	22.9	.00	.0	.....	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18	NC
Intl Dairy Queen ..... O	40.50	- .50	- 1.2	41.50	40.50	41.00	32.50	52	.26	.10	160.0	11.7	.00	.0	.....	9 mos.	08-84	40.8	8.2	(26.5)	- 100.0	1.61	15.8	106.5	14.3	6.7	8.1	3.03	20.2
Intl King Tab ..... M	16.00	- .13	- .8	16.25	15.75	18.63	11.38	447	1.57	1.84	- 14.7	11.9	.00a	.0	.....	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest ..... M	14.25	.00	.0	14.50	14.00	16.25	10.38	267	1.17	1.44	- 18.8	11.7	.20	1.4		fiscal	09-84	19.6	43.1	1.0	42.9	.42	35.5	68.3	28.1	2.9	31.8	1.22	22.0
Jerrico Inc ..... M	16.75	.38	2.3	16.88	16.13	18.50	11.88	3,654	2.32	4.50	- 48.4	12.9	.12	.7	.....	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp ..... A	3.00	.13	4.3	3.00	2.50	5.63	1.13	225	1.00	3.38	- 70.4	NE	.00	.0	.....	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl ..... M	14.25	- 1.25	- 8.1	15.13	13.88	31.75	14.25	1,821	2.58	3.11	- 17.0	8.8	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston ..... M	1.19	.06	5.6	1.31	0.94	14.25	.75	7,473	8.76	4.73	85.2	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ..... N	27.25	- .25	- .9	27.88	27.00	32.00	23.63	2,522	2.08	.44	372.7	19.1	.54	2.0	.....	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp ..... M	14.00	- .38	- 2.6	14.25	14.00	15.25	11.38	103	.20	.26	- 23.1	9.7	.28	2.0	.....	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp ..... N	71.63	1.50	2.1	73.38	70.50	80.25	58.50	2,895	1.13	.71	59.2	15.8	.44	.6	.....	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest ..... O	2.75	- .25	- 8.3	3.00	2.75	7.00	2.75	363	.73	.45	62.2	21.2	.00	.0		9 mos.	10-84	3.0	NC	.1	NC	.03	NC	8.3	NC	.6	NC	.13	NC
McDonald's Cp ..... N	53.25	1.00	1.9	54.38	51.75	55.88	40.84	14,332	1.63	1.14	43.0	12.5	.82	1.5	.....	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc ..... M	17.25	.25	1.5	17.50	17.00	19.00	13.13	1,362	1.00	.99	1.0	11.3	.48	2.8	.....	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36	16.1
Mr Steak ..... O	1.63	- .13	- 7.1	1.88	1.63	3.34	1.13	370	.77	1.01	- 23.8	NE	.00	.0	.....	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)	- 100.0
Nankin Express ..... O	1.50	- .25	- 14.3	1.75	1.50	3.63	1.50	134	.60	.75	- 20.0	NE	.00	.0		3 mos.	04-84	.2	.0	(.1)	NE	(.06)	NE	.2	.0	(.1)	NE	(.06)	NE
Nathans ..... O	2.00	.00	.0	2.25	2.00	2.75	1.78	115	.52	.53	- 1.9	7.7	.00a	.0	.....	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18	63.6
Natl Pizza ..... O	7.75	.25	3.3	8.25	7.50	9.75	7.50	200	.37	.24	54.2	10.2	.00	.0	.....	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc ..... M	5.63	- .38	- 6.3	5.63	5.50	20.25	5.50	1,025	2.21	2.43	- 9.1	NE	.00	.0	.....	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)	- 100.0
1 Potato 2 ..... O	2.38	- .13	- 5.0	2.50	2.38	12.50	2.38	640	2.92	1.24	135.5	47.5	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
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Market

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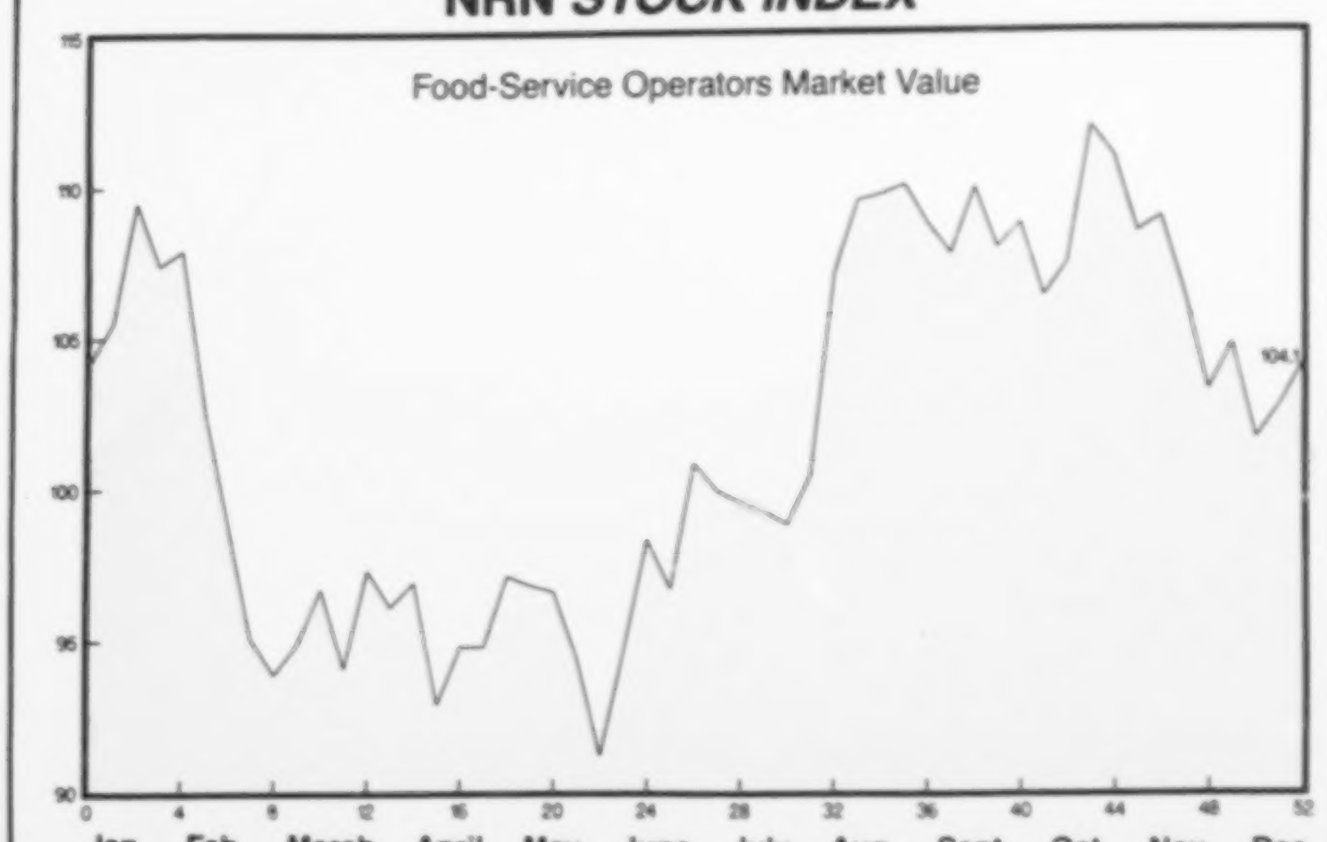
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

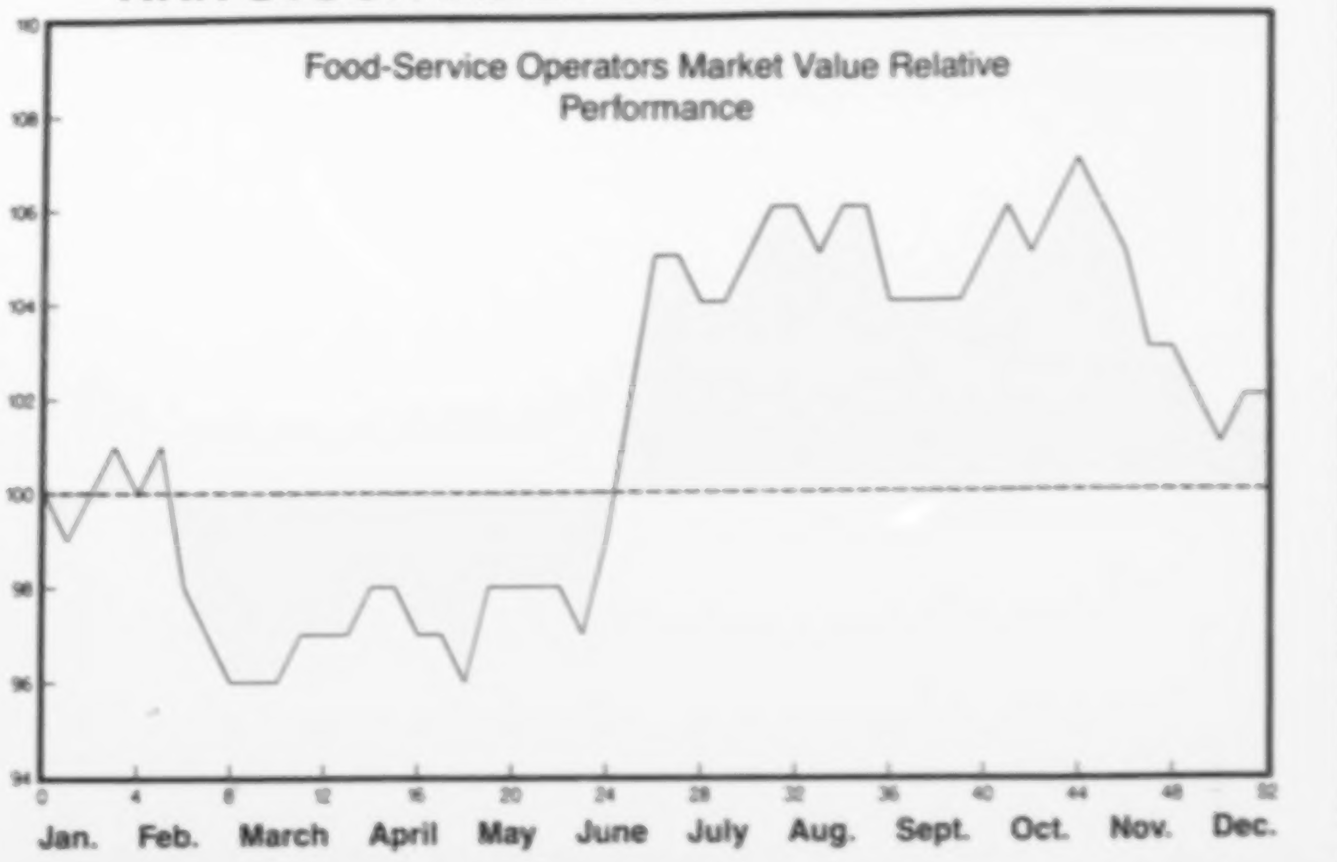
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



	Stock Market											Financial Update																	
	Price							Volume				P/E	Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	12-21-84	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd O	4.75	.13	2.7	5.50	4.63	7.25	4.63	57	.41	.36	13.9	8.6	.00	.0	—	3 mos.	06-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13	- 13.3
Pancho Mex Buffet M	7.25	.13	1.8	7.38	7.13	8.00	5.88	357	1.26	.67	88.1	13.2	.13	1.8	—	fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest M	.44	- .06	- 12.5	0.50	0.44	8.13	.38	4,122	4.80	7.17	- 33.1	NE	.00	.0	—	fiscal	06-84	NC	NC	(27.6)	- 100.0	(3.30)	- 100.0	30.6	12.1	(29.6)	- 100.0	(3.54)	- 100.0
Piccadilly Caf M	18.88	2.13	12.7	18.88	16.50	24.25	13.13	890	1.47	1.07	37.4	11.7	.60	3.2	—	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn A	7.38	.25	3.5	7.50	7.00	14.50	6.88	757	2.49	1.21	105.8	7.2	.08	1.1	—	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks M	10.38	.88	9.2	10.38	9.38	16.63	8.75	656	1.48	1.01	46.5	13.8	.00	.0	—	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys N	12.13	.00	.0	12.50	12.00	24.88	11.50	4,061	4.23	4.22	.2	7.1	.40	3.3	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	2.88	- .50	- 14.8	3.38	2.88	7.00	2.38	1,302	4.71	1.70	177.1	26.1	.00	.0	—	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants M	10.75	.75	7.5	11.00	9.75	18.75	8.75	1,026	1.84	1.30	41.5	17.1	.00	.0	—	3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23	35.3
Rest Assoc A	5.88	- .63	- 9.6	6.63	5.88	9.50	5.63	462	1.65	.98	68.4	8.3	.00	.0	—	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys M	12.00	.25	2.1	12.25	11.75	14.25	9.00	312	1.35	.61	121.3	14.1	.00	.0	—	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D M	2.00	.00	.0	2.25	1.88	9.00	1.88	1,067	2.06	1.17	76.1	NE	.00	.0	—	9 mos.	09-84	4.4	NC	(.5)	NC	(.11)	NC	10.6	NC	(1.6)	NC	(.31)	NC
Rusty Pelican M	13.75	- 1.00	- 6.8	14.13	12.75	18.25	11.38	1,989	7.17	3.76	90.7	16.2	.00	.0	—	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak M	18.50	.00	.0	18.75	18.00	23.75	15.50	619	1.44	1.96	- 26.5	26.8	.00	.0	—	9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53	47.2
Saga Corp N	32.38	.88	2.8	32.88	31.75	35.50	24.63	872	.67	1.04	- 35.6	13.1	.44	1.4	—	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef M	7.25	.00	.0	7.75	7.25	11.75	6.75	58	.45	.66	- 31.8	12.5	.00	.0	—	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley M	7.63	.00	.0	7.75	7.63	11.00	7.13	365	.93	2.71	- 65.7	5.4	.00	.0		9 mos.	09-84	15.7	- 14.2	3.0	900.0	.76	1420.0	48.3	- 11.9	5.3	657.1	1.35	694.1
Shoney's Inc M	32.00	2.63	8.9	32.00	29.50	35.13	20.00	1,654	.80	.97	- 17.5	23.2	.16	.5	—	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06	24.7
Shoney's South M	13.25	.50	3.9	13.25	12.75	16.59	11.00	373	.66	.66	.0	11.2	.00	.0	—	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	23.5
SIS Cp M	4.25	.50	13.3	4.25	3.25	9.25	3.25	422	2.72	.63	331.7	30.4	.00	.0	—	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl M	15.00	1.00	7.1	15.25	13.75	18.75	8.75	696	1.02	.50	104.0	12.0	.00	.0	—	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers M	10.00	.00	.0	10.13	10.00	11.25	8.00	338	1.24	.92	34.8	12.2	.06	.6	—	9 mos.	09-84	14.5	20.8	.5	25.0	.18	20.0	42.3	23.7	1.6	14.3	.60	1.7
So Hospitality M	4.13	- .50	- 10.8	4.50	4.13	5.13	3.75	325	.68	1.36	- 50.0	12.1	.00	.0	—	3 mos.	06-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva M	8.50	.75	9.7	8.50	7.75	9.75	7.00	146	.64	.63	1.6	20.2	.00	.0	—	3 mos.	06-84	6.6	94.1	.3	50.0	.14	16.7	6.6	94.1	.3	50.0	.14	16.7
TGI Friday's N	8.50	.50	6.3	9.63	7.88	15.88	7.88	1,212	1.06	.94	12.8	14.4	.00	.0	—	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas O	2.25	.00	.0	2.75	2.25	5.63	2.25	14	.09	.23	- 60.9	NE	.00	.0	—	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)	NC
Transworld N	30.25	.25	.8	31.38	29.75	33.53	23.63	6,435	2.29	3.16	- 27.5	4.3	.40	1.3	—	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	NE
USACafes M	3.88	.25	6.9	4.00	3.50	5.00	2.75	172	.34	.26	30.8	NA	.00	.0	—		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants M	16.25	1.88	13.0	16.50	14.25	21.63	13.25	2,974	4.48	2.22	101.8	13.7	.12	.7	—	9 mos.	07-84	67.7	127.9	2.7	68.8	.41	57.7	155.1	167.4	5.8	100.0	.87	64.2
Victoria Stations M	2.75	- .38	- 12.0	2.88	2.13	8.00	2.13	3,877	10.96	9.12	20.2	NE	.00	.0		6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl N	17.25	.13	.7	18.25	17.00	20.50	13.13	8,001	1.47	1.21	21.5	14.4	.28	1.6	—	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer O	10.00	.00	.0	11.00	10.00	12.00	9.00	73	.60	.45	33.3	10.9	.20	2.0	—	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33	- 23.3
Winners Cp N	6.88	.88	14.6	6.88	5.88	15.88	5.13	625	1.43	2.73	- 47.6	14.0	.00	.0	—	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																													
Am Motor Inns A	21.25	.00	.0	21.25	21.25	21.75	12.50	24	.02	.10	- 80.0	13.4	.16	.8	—	fiscal	07-84	52.8	17.1	5.9	25.5	.51	- 38.6	201.1	23.8	18.4	32.4	1.59	- 36.9
Brock Hotel Cp N	3.00	.00	.0	3.13	2.88	7.50	2.63	2,184	1.66	1.63	1.8	NE	.10	3.3	—	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels N	56.75	1.63	2.9	58.00	55.25	58.00	45.50	6,071	2.32	1.07	116.8	22.7	1.80	3.2	—	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns N	41.63	1.13	2.8	42.13	40.38	51.75	35.25	5,365	1.50	1.74	- 13.8	12.2	.90	2.2	—	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn N	23.50	.38	1.6	24.88	23.00	25.50	16.00	1,506	1.04	.51	103.9	19.6	.12	.5	—	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns N	5.75	.13	2.2	6.00	5.63	11.00	5.13	5,855	1.57	1.77	- 11.3	19.2	.00	.0	—	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc M	16.75	- .50	- 2.9	18.00	16.75	24.50	13.50	853	2.73	.57	378.9	11.5	.00a	.0	—	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.60	- 11.8	90.2	24.8	2.8	47.4	.89	43.5
Sonesta Intl O	19.50	.00	.0	21.50	19.50	19.50	16.50	0	.00	.03	-100.0	NE	.40	2.1	—	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev M	17.00	.00	.0	17.50	16.75	20.00	13.50	592	.99	1.93	- 48.7	11.2	.80	4.7	—	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut N	8.00	.00	.0	8.00	7.75	14.56	7.75	300	.65	.73	- 11.0	88.9	.48	6.0	—	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09	- 89.7
Disney, Walt N	60.50	2.00	3.4	60.88	58.13	68.50	45.25	17,472	5.18	3.66	41.5	22.2	1.20	2.0	—	fiscal	09-84	463.2	27.6	12.1	- 50.6	.38	- 45.7	1656.0	26.7	97.8	4.9	2.73	1.1-
Esteban Foods O	1.25	.00	.0	1.38	1.25	4.13	1.25	224	.96	1.35	- 28.9	NM	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	50.75	- .13	- .2	53.88	50.25	60.00	41.63	8,757	1.93	1.09	77.1	10.9	2.24	4.4	—	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20	- 21.1
Horn & Hardart A	9.88	- .13	- 1.3	10.13	9.50	21.19	8.63	2,588	2.09	1.54	35.7	11.5	.00a	.0	—	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	295.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp N	27.88	.25	.9	28.25	27.38	30.50	24.13	1,277	.67	.96	- 30.2	12.7	1.80b	6.5	—	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc N	41.75	.00	.0	43.25	41.25	45.75	34.50	8,059	.86	1.06	- 18.9	12.2	1.68	4.0	—	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co N	41.00	- 2.25	- 5.2	45.75	41.00	45.75	33.00	4,252	.98	.70	40.0	10.2	1.56	3.8	—	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France M	11.88	.00	.0	12.13	11.50	15.25	10.50	902	.83	.56	48.2	20.1	.23	1.9	—	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

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Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

C5150-1

'85 state legislative preview: Drunk driving tops agendas
—Focus/F5-8

Monkfish on the menu, and other new fish concoctions
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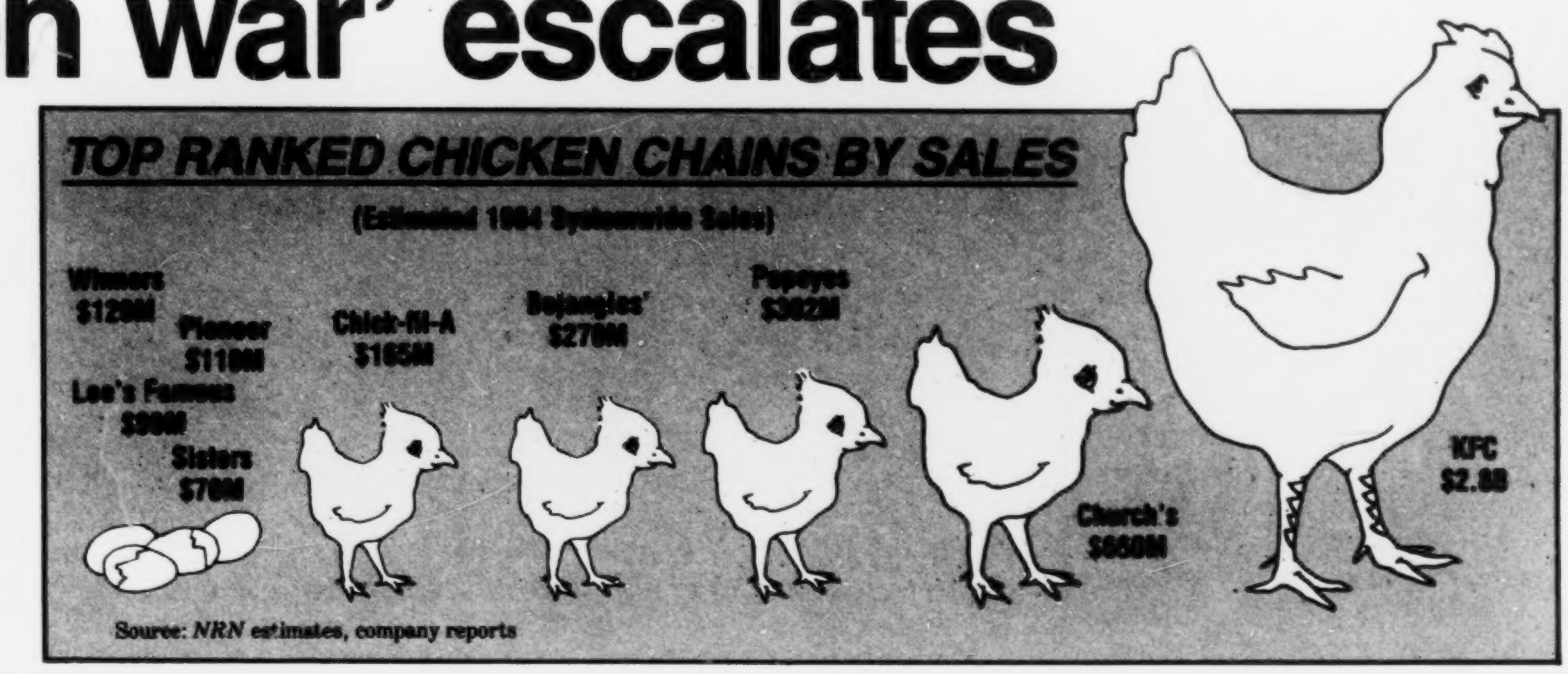
Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

Vol. 19, No. 3 **Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year** **January 14, 1985**

'Chicken war' escalates

Cross-segment competition hits younger chains

By Joe Edwards



Source: *NRN* estimates, company reports

The fast-rising popularity of chicken has not translated into instant riches for the once-hot flock of upstart chicken chains that emerged in the late 1970's and early 1980's, but it has added a new source of stiff competition from outside the segment—particularly from burger chains.

Sales of Chicken McNuggets, McDonald's shrewdly marketed finger food, hit $1 billion in 1984—more than the combined systemwide sales of Church's and Popeyes, the second- and third-largest fast-food chicken chains, respectively. Wendy's is spending $15 million to advertise its new boneless breast chicken sandwich, and numerous other chains have added chicken products.

These moves "are eating into our traditional sales, but increased public awareness of chicken generated by all their advertising helps us," said Don Perry, spokesman for the 305-unit Chick-fil-A chain.

M. V. Hussung Jr., president and chief executive of Winners Corp., blamed a falloff in unit sales at Mrs. Winners Chicken & Biscuits, one of the newer chains, on stepped-up competition from outside the segment. "Nearly all competitors [are] now of-

*(See **CHICKEN**, page 59)*

Smith, Boppell ousted

Problems haunt new leadership at Diversifoods

By Don Jeffrey

ITASCA, Ill. — Diversifoods has forced the resignations of Donald N. Smith as corporate president and chief executive and Charles L. Boppell as chief executive of its ailing Godfather's Pizza division.

In moves that were not unexpected, the board asked Smith to resign at a meeting Jan. 3 in Jefferson, La., far from the troubled multiconcept company's Chicago area headquarters, and disclosed four days later that Boppell had also been edged out.

Smith

John Creed, president and chief executive of the profit-

*(See **SMITH**, page 59)*

Carlson links Friday's growth to hotels

By Peter Romeo

MINNEAPOLIS — Carlson Cos. plans significant expansion of its T.G.I. Friday's and Radisson Hotel chains this year, in part by developing them in tandem for the first time ever, according to company officials.

At the same time the company expects the strategy adopted for its Country Kitchens International to pay off handsomely this year, boosting per-unit sales by 8.3%, to $650,000.

Through renovation and menu expansion programs launched 1½ years ago, Country Kitchens revenues and customer counts are already up 10.4% and 6.6%, respectively, Carlson Hospitality Group president Juergen Bartels said.

"That represents a real turnaround for Country Kitchens. Spirits have dramatically changed within that organization," he noted.

"We have arrested the decline of our store count," he said. "We plan to add 40 franchises in 1985," and to terminate about half that number, for a net gain of 23 outlets.

Bartels also plans to accelerate the renovation of the family-restaurant chain. So far, 88 of Country Kitchens' 254 units have been revamped, at a minimum cost of $125,000 per store.

*(See **CARLSON**, page 11)*

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FOOD DYE BAN

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Rax hunts for a president

Ross says move is 'logical' next step for growth

By D. M. Levine

COLUMBUS, Ohio — Rax Restaurants, hit by a falloff in sales attributed to a softness in the fast-food market, is planning to strengthen its management team with the addition of a president, possibly within two months.

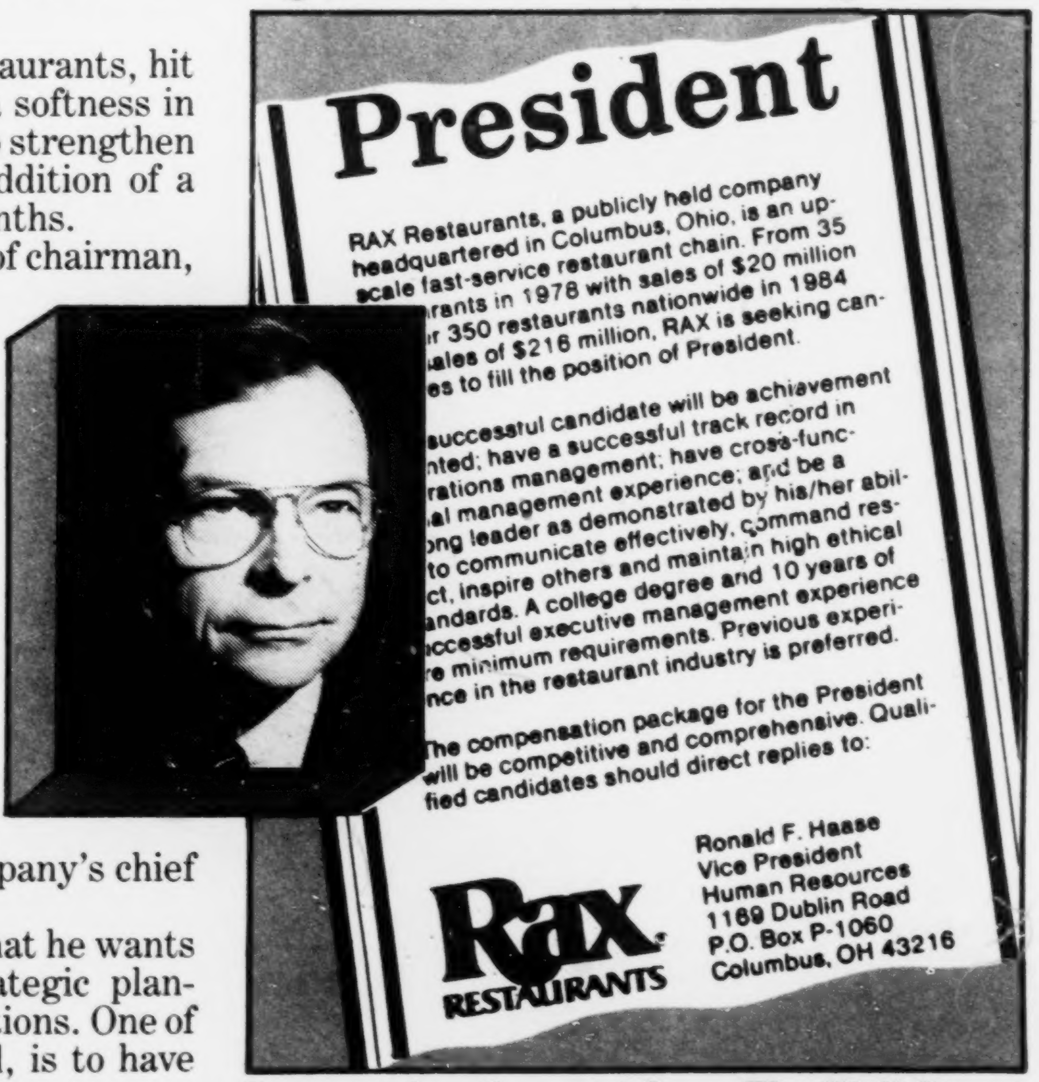
J. Pat Ross, who holds the titles of chairman, chief executive officer and president, said in an interview that that move was the "logical" next step in the 7-year-old chain's growth plans.

There are 388 restaurants in the Rax system, of which the company owns 138. The chain added 102 units last year and expects to add 140 more—30 of them company-owned—by the end of 1985.

With the dramatic growth of Rax, Ross said, "the time has come for us to have a full-time president . . . who will be the company's chief operating officer."

Ross, the founder of Rax, said that he wants to concentrate on long-term strategic planning rather than day-to-day operations. One of the company's chief goals, he said, is to have 1,000 units nationwide within five years.

*(See **RAX**, page 38)*



President

RAX Restaurants, a publicly held company headquartered in Columbus, Ohio, is an upscale fast-service restaurant chain. From 35 rants in 1978 with sales of $20 million r 350 restaurants nationwide in 1984 ales of $216 million, RAX is seeking can es to fill the position of President.

successful candidate will be achievement nted; have a successful track record in rations management; have cross-func al management experience; and be a ong leader as demonstrated by his/her abil to communicate effectively, command res ct, inspire others and maintain high ethical andards. A college degree and 10 years of ccessful executive management experience e minimum requirements. Previous experi nce in the restaurant industry is preferred.

The compensation package for the President will be competitive and comprehensive. Qualified candidates should direct replies to:

Ronald F. Haase
Vice President
Human Resources
1169 Dublin Road
P.O. Box P-1060
Columbus, OH 43216

Rax RESTAURANTS

Recent advertisement from *The Wall Street Journal*. Inset: Rax chairman J. Pat Ross

Cash-short Peoples shutters half its stores

By Don Jeffrey

RICHARDSON, Tex. — Seriously damaged during its rapid change from a franchise company into an operating company, Peoples Restaurants has attempted to repair itself by closing half of all its units in the past three months.

Since the annual meeting in October, this Texas-based family-restaurant chain has shed its unprofitable stores, leaving it with just 26 units, only two of which are franchised.

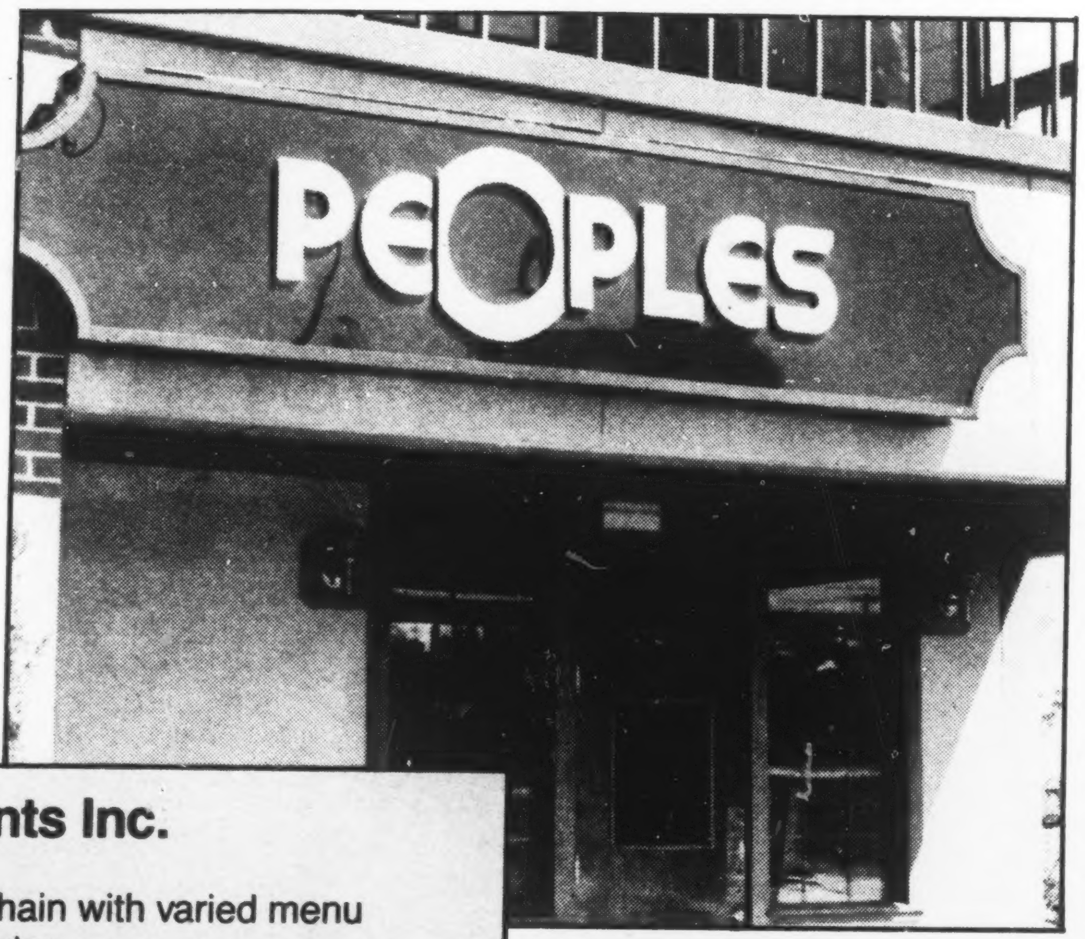
But important challenges continue to test Peoples' 38-year-old chairman, president and chief executive officer, Thomas Heironimus, a former franchisee who took over last May in an attempt to rescue the failing chain. These challenges and problems include soft sales during the winter season, declining average unit volumes, alienated customers and a cash shortage.

Just months before Heironimus took charge, the chain suffered a severe decline in customer counts when its previous management, attempting to cut labor and food costs, drastically simplified the menu. According to an analyst, that "alienated the customers."

Peoples has restored former menu items like the crab melt and steak soup and has brought its popular salad buffet back to its original strength of 60 to 70 selections. About 60% of Peoples' customers buy the $4.25 buffet, which includes salads, baked goods, desserts, soups and cheeses. An average customer check, including drinks, is $7.

Because of soft winter sales and the huge expenses associated with the store closings, Peoples has not begun to turn around yet. But Heironimus said he hoped to "get rid of unused properties" and see positive results this spring. Each of the 26 units now open shows an operating profit on an annualized basis, he said.

Analysts believe the chain has a fine chance of survival now that poorly performing units have been closed.



Peoples has closed 24 unprofitable, far-flung units.

Peoples Restaurants Inc.
Richardson, Tex.
26-unit family-restaurant chain with varied menu
Stock traded over-the-counter
Revenue for year ended July 1, 1984: $32.7 million
Net loss for year ended July 1, 1984: $23.7 million
Range in stock price: 37.5¢ a share (current);
$8.25 a share (1984 high)

For the fiscal year ended July 1, Peoples reported a staggering loss of $23.7 million, compared to a net profit in 1983 of $1.87 million. Average unit sales, once higher than $1.3 million a year, are now at $950,000.

Since reporting the loss, the chain has undertaken a series of dramatic moves, beginning with the spin-off of its profitable subsidiary, Michaels, a chain of arts-and-crafts specialty shops. Sources said the previous management focused too much on Michaels and not enough on Peoples.

The company used $4 million from the spin-off to pay Peoples' debts. It has since borrowed $1.3 million from banks for working capital—not a large sum for the restoration of 26 restaurants. The sale of the unused properties would give the chain some much-needed cash.

Heironimus declined to say what other options Peoples was considering, but he did not rule out possible evolution into some new concept. He said he was personally opposed to filing for protection under Chapter 11.

Analysts and executives agree that quick growth took its toll on Peoples. One analyst said that many of the franchisees were not experienced restaurant people and could not make the units profitable. In August 1983 there were 38 franchised and 12 company-owned units. The company then began to buy out its franchisees, increasing its company-owned stores rapidly and putting an enormous strain on operations.

"The concept was so grossly managed, it was just an absolute mess," Heironimus said. "We've got a lot to do."

Without the operational capabilities to run the new company-owned units, costs mushroomed and margins dwindled, leading to serious miscalculations like the streamlining of the menu.

The restaurants—half of which are freestanding, half in-line—are large (6,000 to 8,000 sq. ft.), containing about 200 seats and fully equipped kitchens. Analysts think that their good locations and their sizable kitchens make the units excellent opportunities for purchase, conversion or success on their own terms.

The closed units were in markets too far from company headquarters for adequate and economical supervision. Once spread over 16 states from Florida to Michigan to California, Peoples units are now found in only six states: Texas, Oklahoma, Florida, Indiana, Missouri and Kansas. There is no plan to raise the number of company-owned or franchised stores this year. "We no longer consider ourselves in the franchise business," Heironimus declared.

He formerly owned Fortune Foods, whose nine franchised units are now company-operated. Last May he replaced Donald Thomson as chairman and John Boylan as president.

Weiss steps down as Fresher Cooker president, ceo

By Paul Frumkin

LOUISVILLE, Ky. — Mark S. Weiss has resigned as president and chief executive officer of Fresher Cooker Inc. because of a heart condition.

He has been replaced by Frank Dwyer, formerly president and chief executive officer of Los Angeles-based Acapulco Restaurants, a $40 million Mexican dinnerhouse chain.

Although the 40-year-old Weiss will remain as chairman of the company, he will not be taking an active roll in its daily operations, according to senior vice president Brian Guilliom.

The Fresher Cooker is a fast-food chain that features freshly made, nonfried, lighter foods items. The menu includes 10 sandwiches such as ham, turkey, chunky chicken and hotdogs; two pasta dishes; a number of fresh vegetable side orders, and seven varieties of baked potatoes with toppings including beef Stroganoff and nacho cheese.

Lunch accounts for approximately 60% of sales, and the average check is $3.

The chain had a net loss of $511,511 in the third quarter ended Sept. 2, compared with a $176,659 deficit for the same period last year. Revenue rose 61% to $1.04 million during the same period.

Net loss for the year-to-date totaled $1.1 million, compared with last year's loss of $323,828. Revenue was up 43%, to $2.5 million.

The company said that the losses were attributable to start-up expenses.

COMMODITIES

Watch January for price changes

NRN **Special Report**

If you seemed to sense that prices in general changed little during the holiday season, you were right. Activity generally slows down around the end of the year, except for produce. Highly perishable produce, such as lettuce, generally becomes volatile as demand rises and falls around Christmas and New Year's Day.

Although many manufacturers and processors time price changes to hit at the start of a new year, this year most of the significant changes were in retail packs, with food-service rises expected later in the winter. Some of the retail pack changes were in canned spinach from the Ozarks and frozen strawberries. Dried lentils moved up at the end of the year.

Price declines were posted about this time by California tomato products, which were lowered in last year's fourth quarter, but have been trading under list prices in many cases, and by canned imported hams, which are in heavy supply at this time. Frozen raspberries have also moved lower, dropping below 60¢ a pound, f.o.b., Northwest, from around 70¢ at the beginning of fall.

Red meat prices, although slightly above levels a year ago, have remained fairly steady despite reduced demand. Consumer resistance to increased prices, combined with a better supply than expected, has kept prices in a narrow range for the last few months. The unexpected factor was the continued thinning of herds, even after the worst effects of the drought in the principal producing areas abated.

Increased feedlot placement of heifers—also a measurement of herd reduction—has kept the price of Choice and Prime grades under restraint. If and when producers decide to increase herds, heifers will be kept for breeding, thereby cutting feedlot output to steers alone.

Pork production continues at normal levels. Prices to producers for hogs have dipped below 84's prices, and this may induce farmers to restrict production, although margins are still better than they were in mid-1984 because of low feed prices.

Poultry production continues at a high rate, with broilers showing the effects of improved supplies by dropping to lower prices.

The catch of king crabs has been poor this year, and prices have remained at high levels, depressing demand by operators. Many have completely dropped the item from menus. Overfishing in the Alaskan/Siberian grounds has depleted stocks to the point where some marine economists estimate that rebuilding—even with strict management programs—will take from five to eight years. And strict management programs are almost impossible in the waters where Japan, the Soviet Union and the United States compete with one another.

PRICE MOVEMENT AT A GLANCE

	Jan. 2, 1985	Dec. 3, 1984	Jan. 2, 1984
Beans, dry pinto, Colorado (cwt)	$23	$18	$19-$20
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.04	$0.98	$1.01
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$0.6308	$0.4857	$0.5497
Butter, Grade AA, Midwest (lb.)	$1.41	$1.5975	$1.41
Corn, Fancy canned whole kernel, Midwest (6/10)	$11.50-$12	$9.50	$9.25-$9.50
Eggs, Grade A, large white, Chicago (doz.)	$1.10	$0.69-$0.71	$0.51-$0.53
Lard, refined, Midwest (lb.)	$0.26	$0.295	$0.26
Lettuce, iceberg, No. 1, Calif. (24s)	$7-$8	$3-$3.50	$6-$8
Pepper, black, N.Y.C. port (lb.)	$1.07	$1	$1.04
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$1.11	$0.86	$1.04

Source: NRN *Research*

Consumer group urges ban on 3 food dyes

By Judith Packer
Washington Bureau

WASHINGTON — Consumer activists have petitioned the Food and Drug Administration (F.D.A.) to ban three unnecessary and carcinogenic food dyes used cosmetically in restaurant foods and tavern drinks.

If the F.D.A. acts on the petition submitted by the Washington-based Public Citizen Health Research Group (HRG), founded by Ralph Nader, icings and sauces will become pallid, chocolate confections will lose their reddish casts and light yellowish maraschino cherries will garnish food and drinks.

> *'If the F.D.A. acts on the HRG petition, icings and sauces will become pallid, chocolate confections will lose their reddish casts and light yellowish maraschino cherries will garnish food and drinks.'*

In a letter sent to F.D.A. Commissioner Dr. Frank D. Young, HRG director Dr. Sidney M. Wolfe urged a ban of 10 widely used food, drug or cosmetic dyes, including three food dyes.

Wolfe expressed concern that none of the 10 chemical coloring agents have ever been found safe by the F.D.A. for all uses, but all have remained on the market pending resolution of their status.

Although Federal law permits a dye to be marketed for 2½ years or more pending completion of scientific studies to prove safety, these 10 dyes "have been on the provisional list for more than 20 years because the F.D.A. has repeatedly extended their provisional status," Wolfe noted.

In fact, 3.4 million lb. of the food dyes—Red 3, Yellow 5 and Yellow 6—were certified by the F.D.A. in 1984 after the color additives were found to be carcinogenic, Wolfe said.

Seventeen of the original 24 food dyes once allowed in the American food supply have been banned or delisted or are no longer produced, Wolfe said.

A breakdown of the seven remaining food dyes revealed that the three listed on the HRG petition accounted for 53% of all food dyes certified last year, Wolfe added. He also charged that "serious safety questions" on the four other dyes remain, and one dye is currently the subject of an F.D.A. administrative hearing.

Despite the dwindling number of food colors permitted by the F.D.A., the HRG director said, "There has been a 50% increase in the total use of food dyes in the past 10 years."

Wolfe concluded that, of all the toxic dyes, food colors present the most serious problems because much greater quantities of these dyes are produced and ingested and because children are the principal "targets and victims of food dyes."

SEVEN REMAINING FOOD DYES IN THE UNITED STATES

Dye	Main Uses	Lb. Certified in 1984	Toxicity Findings (Comments)
Red 3*	Candy Desserts Baked Goods	241,265	Thyroid tumors, chromosomal damage (F.D.A. recommended ban)
Red 40	Beverages Candy Desserts Pet Food	2,630,578	Early lymphomas (Banned by European Economic Community)
Blue 1	Beverages Candy Baked Goods	260,417	Chromosomal damage (Banned in France, Finland)
Blue 2	Pet Food Candy Beverages	101,223	Brain tumors (Banned in Norway; pending F.D.A. hearing)
Green 3	Beverages Candy	3,597	Bladder tumors (Banned by European Economic Community)
Yellow 5*	Pet Food Beverages Baked Goods	1,620,540	Allergies, thyroid tumors, lymphocytic lymphomas, chromosomal damage (Banned in Norway)
Yellow 6*	Beverages Candy Desserts Sausage	1,535,050	Allergies, kidney tumors, chromosomal damage (Banned in Norway, Sweden)

Source: Public Citizen Health Research Group

*Food dye found in HRG petition

Many other nations appear to share the HRG's misgivings. Even though food dyes are used mainly in desserts, soft drinks, baked goods and sausage in the United States, the HRG's data noted that the same dyes have been banned in many foreign countries.

Wolfe said it is likely that in a very short time there will be few, if any, certified petroleum-derived food dyes left. Such products as Dannon Yogurt "have shown, by their extraordinary success, that we can all do very well without these dyes," he asserted.

Wolfe added that "lots of restaurants don't use these food dyes now, and they're probably among some of the better restaurants."

Dr. Harry Mussman, executive vice president of the National Food Processors' Association (NFPA), disagreed. The absence of Red 3 dye, which is primarily used in the food industry, will "have an impact on the food industry and an indirect impact on the restaurant trade, which is a leading market for maraschino cherries," Mussman observed.

According to the HRG petition, in October 1983 the National Toxicology Program found that there was convincing evidence of cancer-causing properties for FD&C Red 3 in male rats.

Wolfe said that the F.D.A.'s subsequent inaction was attributable to a letter sent last May by several members of Congress to Secretary of Health and Human Services Margaret M. Heckler, "attempting to prevent FD&C Red 3 from being banned."

Mussman explained that the legislators were simply asking Heckler to delay a decision on the food dye until all the data became available.

Early in December the NFPA and two other trade associations submitted data to the F.D.A. that showed that Red 3 was "safe for its intended purposes as a food coloring," Mussman said. He noted that the F.D.A. is expected to make a decision on the food dye sometime early this year.

But the consumer activists are growing more impatient with what they see as bureaucratic delay. Noting that the HRG will be "forced to initiate legal action" if the F.D.A. does not act promptly on the petition, Wolfe said that, by failing to ban these dyes immediately, the Reagan Administration "is making a mockery out of its alleged cancer reduction goals and is completely demoralizing dozens of F.D.A. employees who know these dyes are too dangerous for continued use."

DATELINE D.C.

Food-service victories outnumbered defeats in '84

By Ken Rankin
Washington Editor

Food-service industry pessimists will remember 1984 as the year when Congress set a de facto national drinking age of 21, raised excise taxes on distilled spirits and required restaurateurs to pay unemployment insurance costs on the tips received by their employees.

But any reasonable appraisal of how food service fared in Washington during the past year would have to conclude that the industry's lobbyists posted more victories than they sustained defeats in 1984.

Although Congress did pass immigration "reform" legislation last year, the nation's restaurateurs escaped 1984 without an Orwellian scenario: No criminal penalties were established for employers of aliens present in this country illegally.

And after years of persistent prodding by the National Restaurant Association (NRA), Congress finally approved key amendments to the Federal food safety laws exempting restaurant central kitchens from the Agriculture Department's cumbersome inspection requirements.

Food-service chain lobbyists helped to beat back another drive to enact anticompetitive "Beer Bill" legislation, which would have allowed brewers to force restaurants and taverns to purchase from only one designated malt beverage distributor.

Also, Congress preserved the Targeted Jobs Tax Credit (T.J.T.C.) program, shot down efforts by organized labor to raise the minimum wage by 85¢ an hour and even approved some lesser "reforms" in the unwieldy tip-reporting law.

The industry also scored several precedent-setting courtroom triumphs over heavy-handed bureaucratic regulators during the year.

In one case (*Donovan* v. *Petrancosta*), the Labor Department for the first time was directed to pay attorney fees incurred by a restaurateur to fight unsubstantiated wage-and-hour charges.

The NRA—which had intervened in that case on behalf of the defendant, a Pennsylvania food-service operator—called the decision "a substantial win for our industry" because it served notice on Labor Department officials that food-service leaders "will not stand idly when Labor's enforcement process becomes callous and unjust."

Late last year the NRA scored a potentially even more important coup by convincing those same Labor Department policy makers that they should modify their controversial position on employee meal credits.

Under the Fair Labor Standards Act restaurateurs are allowed to deduct meal credits from employees' pay. Although the law does not require workers to consent to these deductions, Labor Department enforcers adopted the policy that participation in such meal programs must be voluntary.

Despite a series of court rulings overturning the Federal Government's position, department officials continued routinely to disallow meal credits unless the restaurant's employees were given a choice between cash and food.

During recent negotiations with Wage and Hour Administrator William Otter, however, the NRA persuaded the agency to drop its controversial voluntary participation requirement.

* * *

Were these 1984 lobbying accomplishments permanent victories for the restaurant industry, or only temporary advances?

Unfortunately, the NRA and other food-service groups will be forced to fight many of the same battles again this year.

Immigration "reform," complete with provisions for sanctions against employers of illegal aliens, will almost certainly resurface in 1985—this time with President Reagan's stamp of approval.

Supporters of a minimum wage increase are also likely to make another push for hikes in the nation's hourly pay floor this year, and the "Beer Bill" may return to haunt the industry.

Despite the lawmakers' decision to extend T.J.T.C. through the end of this year, the Administration is already proposing to eliminate Targeted Jobs wage subsidies, and there's no solution in sight for the restaurant industry's tip-reporting law "allocation" problems.

Even the Labor Department's decision to correct its enforcement posture toward meal credits may present some new hurdles for food-service operators this year.

Otter agreed to issue a formal opinion letter discarding the agency's controversial "voluntary participation" requirement, but he told restaurant industry leaders that Wage and Hour agents will be directed to tighten up in other areas of their meal credit enforcement.

FOCUS | NRN

Advertising will play pivotal role for chains in '85

By Ken Frydman
Advertising and Promotions Editor

NEW YORK — From high-technology computers and toys to fashion and fast-food, this is the golden age of marketing. As competition for market share heats up and diversification intensifies, advertising and promotions continue to play an important role in shaping the economic future of America's corporations.

The nation's fast-food giants—McDonald's, Wendy's and Burger King—are leading the way in their resurrected Battle of the Burgers comparative advertising war. If, as Marshall McLuhan said, "the media is the message," the Big Three are certainly getting their message across.

'The Battle of the Burgers will probably exist in some form as long as Burger King flame-broils its hamburgers and McDonald's fries its hamburgers.'

A look at television advertising spending by the front-running fast-food companies bears out the reliance on bringing the message to the people through the mass media.

Network and spot television advertising by sit-down restaurants and fast-food chains increased 34% in the first nine months of 1984, according to the Television Bureau of Advertising.

As usual, in 1984 McDonald's again led the list of food-service advertisers, with a 37% increase over the first three-quarters of the year and a total TV investment of $188 million. McDonald's network television spending accounted for $122 million.

Burger King finished second, spending $99 million, up 72%, and Wendy's was third at $55 million, also up 72%.

Of the 25 advertisers in the fast-food category, the highest percentage gains were scored by Burger King and Wendy's, both up 72%; Taco Bell, up 51%, to $21,650,000, and Hardee's, up 47%, to $18,745,000.

Second-and third-tier chains and independents, most of which can't afford to budget the same dollars toward national advertising that McDonald's, Burger King and Wendy's do, will continue to allocate money for advertising locally and in regional spot markets. But low-cost promotions and merchandising tie-ins are still the most popular forms of regional merchandising.

Couponing, which was prevalent among restaurants during the last recession, is back again. Food-service operators are offering bounce-back coupons, discounts and other price promotion premiums as incentives to lure regular and potential new customers.

A significant part of the renewed Battle of the Burgers campaign involves redemption coupons for the various hamburgers and cheeseburgers offered by McDonald's, Wendy's and Burger King.

"You'll Never Have to Eat a Fried Quarter Pounder Again," proclaims Burger King in its current crop of TV and radio commercials and print ads. The line refers to Burger King's contention that while it flame-broils its hamburgers, McDonald's fries its hamburgers. This difference of opinion was also at the heart of the first Battle of the Burgers ad campaign a couple of years ago.

"The Battle of the Burgers will probably exist in some form as long as Burger King flame-broils its hamburgers and McDonald's fries its hamburgers," said a fast-food industry observer.

The so-called Chicken Wars have also begun heating up in the print and television. Now that McDonald's, Burger King and Wendy's all offer chicken filet products, look for the increasing competition to generate additional spot and national television commercials, print ads, coupons, giveaways and myriad tie-in promotions.

Also expect the Chicken Wars to fuel more of the humorous commercial techniques and themes that fast-food TV advertising has become known for. Wendy's has already followed its legendary "Where's the Beef?" campaign with "Parts Is Parts," a surreally funny commercial in support of its chicken filet sandwich. The spot, like most of the "Where's the Beef?" spots, was directed by that master of bizarre commercial comedy Joe Sedelmaier.

The crowded pizza chain marketplace should also remain the scene of dynamic advertising. Nearly every day a new pizza topping or filling is introduced, and each new item needs paid advertising to support it.

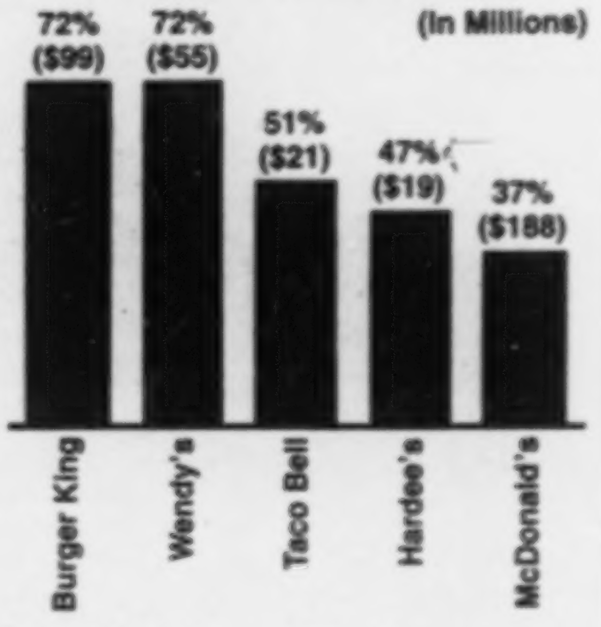
Advertising cooperatives will probably grow in popularity as a means of bringing food-service messages to the public. Parent companies across the country are subsidizing their franchisee groups to offset the cost of advertising in spot and regional markets. Many, like the Bonanza family steakhouse chain, kick in 4% of sales for every 2% contributed by franchisees participating national creative groups and advertising production funds.

Corporate sponsorships of community events will also remain as a popular low cost mode of promoting and advertising in the food-service industry. Well-known athletes and other celebrities, familiar melodies and lyrics and clever jingles will continue to be incorporated into restaurant-related commercials.

But, when all is said and done, word of mouth will probably always be the most highly prized and effective kind of advertising and the most difficult to attain. Yet large and small independents, as well as chains, will keep on chasing that elusive goal.

TV AD SPENDING RISES

(% increase and total TV ad spending, 1st three quarters of 1984 vs. same period in 1983)



Source: Television Bureau of Advertising

RESTAURANT NEWS QUIZ

A $25 prize will be awarded to a reader who correctly answers all 10 questions in this week's Restaurant News Quiz. The prize winner will be selected in a drawing from all entries with the correct answers. To enter, clip the quiz and check the correct answers, or write the correct answers for each question on a separate piece of paper, and mail to: News Quiz, *Nation's Restaurant News*, 425 Park Ave., New York, N.Y. 10022. Please be sure to include your name and address.

1. Foreign tourist arrivals in the United States are off—way off, according to U.S. Travel and Tourism Administration figures. How off is way off?
a) Between 20% and 30%.
b) Between 31% and 40%.
c) Between 41% and 50%.
d) Between 51% and 60%.

2. Noriaki Fujita, owner of several Seryna restaurants in Tokyo as well as one in New York, has come up with a unique broiling technique, which he offers at two of his restaurants. What does he use in broiling?
a) Crab shells.
b) Stones.
c) Oak.
d) Bamboo.

3. New York's Gotham Bar and Grill features many interesting menu items, not the least of which is "Sauté of angel wings." What exactly are they?
a) Jellyfish.
b) Angelfish.
c) Crepe.
d) Skate.

4. "Prices aren't out of line," said one importer recently. "At today's quote of $1.05 a pound, there doesn't seem to be any panic out there. Sure, there's some quoting as high as $1.10, but there are always people putting up prices to test the market." What was he talking about?
a) Lobster tails.
b) Pork loins.
c) Cod.
d) Scrod.

5. Financial editor Rick Telberg, in his Forecast & Trends cover story, found that many restaurant operators predict 1985 will start slow and finish:
a) "Even slower."
b) "About the same."
c) "With a bang."
d) "In a full-fledged recession."

6. Insiders predict that, provided Mother Nature doesn't throw farmers any curves in 1985, food prices are most likely to:
a) Rise no higher than the inflation rate.
b) Rise, but less than the inflation rate.
c) Stay right where they are.
d) Rise less than 0.4% per quarter.

7. Le Cirque owner Sirio Maccioni commented recently, "I'd like to see them [the U.S. Treasury Department] take me out to dinner for even double the amount they intend to allow for business meals." How much would that tab come to?
a) $50.
b) $80.
c) $100.
d) $104.

8. Effective in mid-January, Michigan bars and restaurants will no longer be allowed to sell:
a) "Two-fers."
b) Alcohol to anyone under 16 years of age.
c) More than four drinks to any single customer.

9. Only one unit in the 30-year-old, 30-unit Jerry's Sub Shop chain does this. In the last year it claims to have made $75,000 doing it. Other units may soon start doing it also. What is it they're doing?
a) Offering make-it-yourself pizzas.
b) Offering home delivery.
c) Offering free toy submarines.
d) Servicing a nearby Army base.

10. Yet another city is considering legalizing casino gambling. Which is it this time?
a) St. Louis.
b) San Diego.
c) Columbus, Ohio.
d) New Orleans.

SMITH

(Continued from page 1)

able Chart House dinnerhouse division, was named president and chief operating officer of Diversifoods.

Everett Jefferson, who was president and chief operating officer of Godfather's, was named chief executive officer of the division. Creed was elected to the board to replace Smith, but no one was named to fill Boppell's seat.

Despite these moves, the beleaguered company faces many troubling questions about its future. Will other executives be fired? Will fractured relations with franchisees be mended? Will weak operations like the Luther's barbecue and Moxie's gourmet hamburger chains be discontinued? And will Diversifoods be taken over by another company?

The board created an office of the chief executive, occupied by three men who were at Chart House before it merged with Godfather's to form Diversifoods: Creed, chairman William E. Trotter II and senior vice president and chief financial and administrative officer W. David Hanks. And, because of an anticipated sharp drop in fourth-quarter net profit, the board voted not to declare a dividend for the period.

Most observers saw the new executive lineup as temporary. Several saw Creed emerging as the single successor to Smith if the company remained independent.

Some analysts predicted Smith's departure after the failure of his bid to take the company private in a $525-million leveraged buyout. Early reports of a fourth-quarter profit decline or possible loss made it impossible for Smith and other top managers to secure financing for the buyout.

Meanwhile franchisees and some investors are angry and confused over the company's fall from grace. One Godfather's franchisee is reportedly not paying franchise fees to the parent while at least one other is trying to sell all his stores.

A shareholder who is close to the company's management and did not want to be identified said Trotter and the board had "a lot of explaining to do to stockholders" about why the value of their shares had plummeted from a high of $19 last year to a low of about $8. The day after Smith resigned, the stock was down about 50¢, to $9.

Dissension on the board led to two resignations last year, both reportedly after growing tensions with Smith: William Hyde, who was president of the Burger King division, and William Theisen, founder of Godfather's and vice chairman of the board. Theisen's resignation was surprisingly bitter. He complained that he had been kept in the dark about company operations.

CHICKEN

(Continued from page 1)

fering a chicken-related product," Hussung noted.

Most fast feeders, aware of the growing popularity of chicken, began introducing chicken sandwiches and other products several years ago, but it wasn't until McDonald's scored its phenomenal success with McNuggets that the larger chicken chains reacted to the outside competition.

Kentucky Fried Chicken, Church's and Bojangles' began rolling out chicken nuggets of their own in the second half of 1984. Barry Florescue, chairman and chief executive of Horn & Hardart, Bojangles' parent, called his chain's nuggets "a defensive product."

Meanwhile, as nonchicken chains began seriously grabbing for a share of the fast-food chicken market with such products as Chili's chicken sandwich, Carl's Jr.'s charbroiled chicken platter, Roy Rogers' line of fried chicken and Chi-Chi's marinated and grilled chicken, a curious anomaly is taking shape.

The established Big Three chicken chains—KFC, Church's and Popeyes—are enjoying increased sales, but the new wave fast-food chicken chains, many of them "upscale," have failed to crest, as many in the industry expected several years ago. Some examples:

- Bojangles', while enjoying high unit sales of more than $900,000, is 75 to 100 units behind its original expansion schedule, having just opened its 300th unit. (Unit sales include breakfast, which accounts for 25% to 40% of total sales.)
- Wendy's is way behind schedule with the development of its 70-unit Sisters Chicken & Biscuits chain. There were to have been 120 or more Sisters in operation by the end of 1984.
- Mrs. Winners Chicken & Biscuits unit volumes dropped more than 10% in the July-September period, and profits for Winners Corp. slipped 73% compared with the year-earlier period. Sales continued soft through the fall.
- Grandy's, the "upscale" chain acquired in 1983 by giant Saga Corp., still has fewer than 100 units.
- El Pollo Loco, the 20-unit chain specializing in marinated and grilled chicken that Denny's acquired more than a year ago, is being developed more slowly than expected. Several chains with similar cooking methods—including Chirping Chicken in New York, El Pollo Asado in Phoenix and Marco Pollo in Cincinnati—have appeared but have had little impact as yet.

At the same time, however, as away-from-home chicken consumption soars, established, no-frills chicken chains, which many thought would be particularly vulnerable to the challenge of the newcomers, have held their own quite nicely.

KFC, the segment leader with a 50%-plus share, reports that sales were up about 2% in the last few months and systemwide unit volumes reached the $500,000 mark for the first time in 1984. And Collins Foods, KFC's biggest franchisee, says that nuggets are capturing 17% of sales in some markets. Collins' unit volumes are up 28% at KFC units remodeled last year.

Church's, which surprised the industry by rolling out Crispy Nuggets in a switch from a longstanding policy of avoiding new menu items, is moving toward a turnaround after several tough years. Real sales (total sales minus menu price hikes) rose about 7% in October, 13% in November and 10% in December.

Popeyes, the third-largest fast-food chicken chain, with more than 455 units, is enjoying average volumes of $750,000 without breakfast in a majority of its restaurants. Popeyes has not yet joined the nuggets mania.

Several of the newer chains that are experiencing slower growth and/or softer sales than anticipated are facing numerous challenges. Some have been unable to repeat earlier regional successes as they move into new markets. Others apparently underestimated the strength of established chains.

Despite isolated problems in the segment, the future seems bright for restaurants marketing chicken.

The Commerce Department also estimates that fast-food chicken restaurant sales rose 23.5% to $4.4 billion in 1984 following a 21% rise to $3.6 billion in 1983. It estimated there were 9,500 fast-food chicken restaurants in the United States at the end of the year, an 11% increase from 1983.

WENDY'S

(Continued from page 3)

Breakfast items include omelet platters, priced at $1.79; home fries, 45¢; French toast, 99¢, and a breakfast sandwich of eggs and cheese on toast for 99¢. A breakfast buffet is available for $3.49 for adults and $1.79 for children.

A "gourmet" burger the company recently tested was not so successful, a spokesman said. In response to the large burgers with fancy toppings being popularized by such chains as Flakey Jake's, Fuddruckers and Chili's, Wendy's has tested its own version in Delaware.

Available with different buns and toppings—including guacamole, mushrooms and blue cheese—the burgers fared well, according to the spokesman, yet were dropped because they did not pull in incremental sales.

"We didn't get new business out of them," said the spokesman, noting that Wendy's regular menu already lists what can be considered a "gourmet" burger—the double cheeseburger with optional toppings.

Nonburger test items that company officials say they hope will attract new business—and that would increase the average Wendy's check of $2.50—are Parmigiana chicken, at $3.39; country beef and gravy, $3.49; chopped beef, $3.59, and baked cod almondine, $3.49. The entrées, which include salad and a baked potato with chives and sour cream, have been in test in the Columbus and Cincinnati areas for about two years.

Also being tested in the Columbus area are hotdogs. The four varieties are a regular hotdog, for 89¢; a cheese dog, $1.09; chili and cheese dog, $1.39, and chili dog, $1.19.

Other test menu items are a tuna salad sandwich on a wheat bun, for $1.49, and soups, selling for 95¢ a cup or $1.49 a bowl. Among those being tested are New England clam chowder, cheesy cauliflower and chicken noodle.

The Sisters breakfast menu—which consists of biscuits served with scrambled eggs, sausage, bacon and/or hash browns—generates 12% to 15% of sales, which were $950,000 in 1983.

AMFAC

(Continued from page 2)

geles, Minneapolis, Dallas/Fort Worth and Albuquerque.

"We already have a lot of interested buyers," Carrel said. "We could sell them one by one, or as a group."

She declined to say who the interested parties are, or what the hotels are selling for.

Though Amfac will continue to operate the Adolphus Hotel in Dallas, it will seek no further management contracts for mainland hotels or resorts, Carrel said.

The shift in strategy has prompted Ronald C. Barr to resign as executive vice president and chairman of Amfac's Hotels & Resorts Group. "Mr. Barr is fully supportive of our reorganization, but it is not in accord with his long-range personal objectives," Du Bain said.

Replacing Barr as Hotels & Resorts chairman is Ronald R. Sloan, Amfac executive vice president and chief administrative officer.

Amfac's exit from the business hotel market is part of a restructuring program designed to bolster its bottom line. The diversified company recently announced that it will suspend common stock dividend payments as of Jan. 18 until the plan returns it to "sustained profitability."

The Hotel & Resorts Group generated $243 million of Amfac's $2.5 billion in revenues for 1983. The company reported a net loss of $68 million for that year.

WAR

(Continued from page 2)

again." In those ads Burger King is positioning its own double burgers against McDonald's Quarter-Pounder.

Wendy's meanwhile is about to launch a network TV ad campaign showing a Wendy's truck honking a Ronald McDonald lookalike and a Burger King counter girl lookalike off the road.

McDonald's denies that its current discounting is a reaction to Burger King's attack on the Quarter-Pounder. "We don't need to be responding to Brand X," said McDonald's Terri Capatosto in reply to a question whether the chain's 99¢ promo was a result of Burger King's "challenge" to the Quarter-Pounder. "McDonald's activities do not come as a result of our competitor's activities."

"You'll never have to eat a fried quarter-pounder again," Burger King's John Weir said simply. "I think the tag line speaks for itself."

But was it a challenge to McDonald's' Quarter-Pounder?

"Yeah. I think that's an accurate thing. It's obvious we started doing something with that segment of the market. It does appear that [McD's promotions] might be a response."

A year ago the two segment leaders squared off in a no-holds-barred 39¢ hamburger price war. Customers lined the streets outside their restaurants, eager to take advantage while the burger behemoths did battle. Executives of the respective chains scoffed at the idea of a war, but the lines continued to grow while the offers stretched into their seventh and eighth weeks. "It's certainly not a price war," said one Burger King executive at the time, "nor do we intend to get involved in one."

As observers noted then Wendy's all but sat back and gloated as the two front-runners slugged it out. This year once again it appears that the 2,700-plus-unit burger chain is standing apart from the hustle and bustle—but not too far apart. When asked whether he saw a price war developing in 1985, marketing chief Ley said, "Who knows? You got a crystal ball? It all depends on the state of business."

Wendy's spokesman Denny Lynch acknowledged that his company's imminent "Potatothon" promotion is aimed at driving home to consumers the fact that "Wendy's has baked potatoes, but McDonald's and Burger King don't."

In Wendy's commercial, the young girl tells the clown as they walk along the roadside, "There they [Wendy's] go again. I heard Wendy's sold millions of stuffed baked potatoes last year. Boy, do I feel like a clown!" To which the clown replies, "How do you think I feel?"

"Burger King and McDonald's discounted small burgers last year," Lynch noted. "We don't have a small burger. So we weren't involved." What Wendy's *was* involved in, though, was its record-setting "Where's the Beef?" campaign, which did directly challenge its competitors.

NRN Index falls after three weekly gains in end of '84

(Continued from page 62)

tors but also lodging companies and others. Forty-three were down, 40 were up, and 21 were unchanged.

Volume in the holiday-shortened week was considerably lighter than normal, with 74 trading slower than their 12-week averages.

Winning stocks were led by Good Taco, up 19¢ to 50¢. The company has shut down operations.

Kelly-Johnston gained 50¢, to close at $1.88. Victoria Station was up 63¢, to $3, after disclosing a refinancing plan.

Nathan's, which led the volume trends list with trading 221% heavier than normal, added 50¢, to close at $2.50. Mr. Steak rose 38¢, up $1.88.

Losers were led by Calibre Corp., a multiconcept franchisee, which sank 25¢, to $1.75, a 52-week low.

Fuddruckers lost $1.25, closing at $8.88 after hitting an intraweek 52-week low of $8.63.

Rax Restaurants was down $1, to $9.75. Transworld sank $2.50, to $28.63.

Western Steer hit a 52-week low of $9 after losing 75¢.

Diversifoods, which ousted its president during the week, lost 63¢, to finish at $9.

Denny's, which plans a $43-per-share buyout, gained 13¢ in arbitraging, to close at $42.13.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Nathans	221.0	Fresher Cooker	62.8
USACafes	169.7	Fuddruckers Inc	62.6
Cucos Inc	113.5	Maverick Rest	59.7
Old Fashion Fd	109.3	Sandwich Chef	53.2
Nankin Express	77.5	Garcias Scot	53.1

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Good Taco	60.0	Maverick Rest	15.8
Kelly-Johnston	36.4	Beefsteak Char	14.3
Victoria Station	26.3	Garcias Scot	13.3
Nathans	25.0	Esteban Foods	11.1
Mr Steak	25.0	Restaurant Sys	10.6

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Calibre Cp	- 12.5	Ramada Inns	- 6.5
Fuddruckers Inc	- 12.3	Diversifoods	- 6.5
Rax Restaurants	- 9.3	Fast Food Oper	- 6.3
Transworld	- 8.0	Vicorp Restaurants	- 5.6
Wstn Steer	- 7.7	Old Fashion Fd	- 5.3

	Stock Market											Financial Update																	
	Price							Volume																					
	1-04-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
															New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ..... O	4.00	.25	6.7	4.25	3.75	8.75	3.50	166	.47	.37	27.0	11.4	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rest ..... O	3.88	.00	.0	4.00	3.88	6.00	3.50	158	.64	.64	.0	15.5	.00	.0	—	fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest ..... O	2.88	.00	.0	3.13	2.88	6.00	2.38	109	.48	1.09	- 56.0	15.1	.00	.0	—	9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts ..... M	14.13	.88	6.6	14.50	13.50	17.13	10.50	903	2.04	3.42	- 40.4	16.6	.12	.8	—	fiscal	09-84	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char ..... A	2.00	.25	14.3	2.00	1.75	4.75	1.75	462	.82	.85	- 3.5	1.5	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Bob Evans Farms ..... M	18.00	.00	.0	18.25	17.75	23.75	14.75	729	.45	.58	- 22.4	17.5	.30	1.7	—	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp ..... O	1.75	- .25	- 12.5	2.25	1.75	9.00	1.75	76	.25	.32	- 21.9	NE	.00	.0	—	fiscal	07-84	1.1	- 31.3	(.6)	NC	(.20)	- 100.0	11.5	82.5	(1.5)	- 100.0	(.51)	- 100.0
Calny Food ..... M	8.50	- .38	- 4.2	8.75	8.25	10.75	7.25	551	1.21	1.87	- 35.3	13.5	.16	1.9	NEW	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab ..... M	1.50	.13	9.1	1.50	1.38	6.13	1.38	1,229	1.08	1.48	- 27.0	NE	.00	.0	—	9 mos.	05-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp ..... N	8.63	.00	.0	8.88	8.38	10.38	7.13	269	.35	.55	- 36.4	13.1	.07	.8	—	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	- 6.7	38.3	19.3	2.1	16.7	.28	- 6.7
Chi-Chi's ..... M	12.88	.25	2.0	12.88	12.25	24.88	10.00	4,947	1.84	3.97	- 53.7	19.2	.00	.0	—	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chilis Inc ..... O	20.88	- .38	- 1.8	21.25	20.88	24.25	12.75	333	.74	4.18	- 82.3	35.4	.00	.0	—	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch ..... N	30.00	.00	.0	30.38	29.63	30.50	21.25	1,485	.79	1.68	- 53.0	15.6	.80	2.7	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods ..... N	14.63	- .63	- 4.1	15.38	14.38	16.94	9.91	368	.42	1.42	- 70.4	11.4	.16	1.1	—	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev ..... O	7.25	- .25	- 3.3	7.50	7.25	17.69	5.75	165	.32	1.42	- 77.5	13.9	.00a	.0	—	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts ..... M	5.25	.13	2.4	5.38	5.00	9.25	4.75	151	.43	.44	- 2.3	15.0	.00	.0	—	fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant ..... M	5.75	- .13	- 2.1	6.00	5.50	14.88	4.50	911	2.02	2.54	- 20.5	95.8	.00	.0		6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel ..... M	14.00	- .50	- 3.4	14.50	14.00	23.50	11.75	247	.69	2.03	- 66.0	14.9	.14	1.0	—	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc ..... O	3.00	.00	.0	3.75	3.00	5.00	2.75	125	1.11	.52	113.5	15.8	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc ..... N	42.13	.13	.3	42.13	41.88	42.25	30.25	1,568	1.01	3.90	- 74.1	15.8	.72	1.7	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods ..... M	9.00	- .63	- 6.5	9.75	8.88	19.00	8.00	18,375	5.48	9.63	- 43.1	9.9	.26	2.9	—	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer ..... O	12.75	.00	.0	13.00	12.75	14.50	11.50	804	1.65	2.35	- 29.8	NM	.00	.0	—	6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts ..... M	23.13	- .38	- 1.6	23.50	23.00	26.25	18.13	354	.75	1.02	- 26.5	12.4	.32	1.4	—	fiscal	10-84	23.9	18.3	2.1	10.5	.43	16.2	90.3	16.5	9.1	15.2	1.87	15.4
El Chico ..... M	7.63	- .13	- 1.6	7.88	7.38	14.75	7.63	140	.30	1.16	- 74.1	9.7	.00	.0	—	6 mos.	11-84	20.1	4.7	.9	.0	.19	- 5.0	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest ..... N	11.25	.25	2.3	11.38	10.75	14.63	9.00	267	.24	.31	- 22.6	12.2	.00	.0	—	9 mos.	09-84	65.9	17.3	4.1	17.1	.35	25.0	189.0	20.5	9.0	32.4	.78	44.4
Fast Food Oper ..... O	.94	- .06	- 6.3	1.06	0.94	2.25	.69	441	.75	1.37	- 45.3	15.6	.00	.0		fiscal	12-83	1.6	33.3	.1	.0	.02	.0	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes ..... M	6.38	- .25	- 3.8	6.50	6.13	9.13	4.25	688	.99	1.62	- 38.9	NE	.00	.0	—	9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker ..... O	4.75	- .25	- 5.0	5.00	4.75	6.75	4.75	119	.70	.43	62.8	NE	.00	.0	—	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's ..... A	15.63	.13	.8	15.75	15.25	16.38	12.00	51	.12	.14	- 14.3	14.3	.22	1.4		3 mos.	08-84	40.5	7.4	1.7	.0	.38	- 5.0	40.5	7.4	1.7	.0	.38	- 5.0
Fuddruckers Inc ..... M	8.88	- 1.25	- 12.3	10.00	8.63	17.00	8.63	2,063	3.17	1.95	62.6	NM	.00	.0	—	9 mos.	09-84	7.2	NC	.6	NC	.09	NC	16.9	172.6	.0	- 100.0	.00	- 100.0
Garcias Scot ..... M	2.13	.25	13.3	2.13	1.63	8.25	1.63	2,054	3.43	2.24	53.1	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ..... M	.50	.19	60.0	0.50	0.31	7.00	.25	1,043	3.52	2.55	38.0	NE	.00	.0	—	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet ..... O	12.75	.25	2.0	13.25	12.50	12.75	9.75	10	.14	.15	- 6.7	11.0	.00	.0	—	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger ..... M	4.13	- .13	- 2.9	4.38	4.00	9.00	3.63	382	1.35	1.26	7.1	22.9	.00	.0	—	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18	NC
Intl Dairy Queen ..... O	40.50	.00	.0	41.50	40.50	41.00	32.50	36	.18	.12	50.0	11.7	.00	.0	—	9 mos.	08-84	40.8	8.2	(26.5)	- 100.0	1.61	15.8	106.5	14.3	6.7	8.1	3.03	20.2
Intl King Tab ..... M	16.50	.25	1.5	16.75	16.25	17.94	11.38	328	1.15	1.52	- 24.3	12.3	.00a	.0	—	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest ..... M	14.13	- .38	- 2.6	14.50	14.00	16.25	10.38	161	.71	1.29	- 45.0	11.6	.20	1.4	—	fiscal	09-84	19.6	43.1	1.0	42.9	.42	35.5	68.3	28.1	2.9	31.8	1.22	22.0
Jerrico Inc ..... M	16.75	- .25	- 1.5	17.00	16.75	18.50	11.88	1,821	1.16	4.05	- 71.4	12.9	.12	.7	—	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp ..... A	2.88	.13	4.5	2.88	2.50	5.63	1.13	82	.37	2.86	- 87.1	NE	.00	.0	—	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl ..... M	14.13	- .25	- 1.7	14.75	13.88	31.75	13.88	775	1.10	3.06	- 64.1	8.7	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston ..... M	1.88	.50	36.4	1.88	1.38	14.25	.75	4,328	5.07	5.46	- 7.1	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ..... N	27.00	.00	.0	27.25	26.88	32.00	23.63	223	.18	.45	- 60.0	18.9	.54	2.0	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp ..... M	14.25	.25	1.8	14.25	14.00	15.25	11.38	131	.26	.21	23.8	9.8	.28	2.0	—	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp ..... N	73.50	.00	.0	75.88	73.50	80.25	58.50	1,521	.59	.65	- 9.2	16.3	.54	.7	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest ..... O	2.75	.38	15.8	2.88	2.75	7.00	2.25	492	.99	.62	59.7	21.2	.00	.0	—	9 mos.	10-84	3.0	NC	.1	NC	.03	NC	8.3	NC	.6	NC	.13	NC
McDonald's Cp ..... N	52.00	- 1.25	- 2.3	53.50	51.13	55.88	40.84	7,429	.84	1.11	- 24.3	12.2	.82	1.6	—	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc ..... M	16.75	- .50	- 2.9	16.88	16.50	19.00	13.13	957	.70	1.08	- 35.2	10.9	.48	2.9	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36	16.1
Mr Steak ..... O	1.88	.38	25.0	2.00	1.50	3.34	1.13	492	1.03	1.03	.0	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)	- 100.0
Nankin Express ..... O	1.25	.00	.0	1.38	1.25	3.50	1.25	318	1.42	.80	77.5	NE	.00	.0		6 mos.	07-84	.2	100.0	(.2)	NE	(.09)	NE	.4	33.3	(.3)	NE	(.15)	NE
Nathans ..... O	2.50	.50	25.0	2.63	2.25	2.75	1.78	443	1.99	.62	221.0	9.6	.00a	.0	—	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18	63.6
Natl Pizza ..... O	7.75	.00	.0	8.50	7.75	9.75	7.50	37	.07	.23	- 69.6	10.2	.00	.0	—	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc ..... M	5.63	- .13	- 2.2	5.75	5.63	20.25	5.50	635	1.37	2.65	- 48.3	NE	.00	.0	—	fiscal	06-84	27.2	17.7	.1	- 87.5	.03	- 80.0	114.8	32.4	(5.1)	- 100.0	(1.09)	- 100.0
1 Potato 2 ..... O	2.38	.00	.0	2.63	2.38	12.50	2.38	131	.60	1.30	- 53.8	47.5	.00	.0	—	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

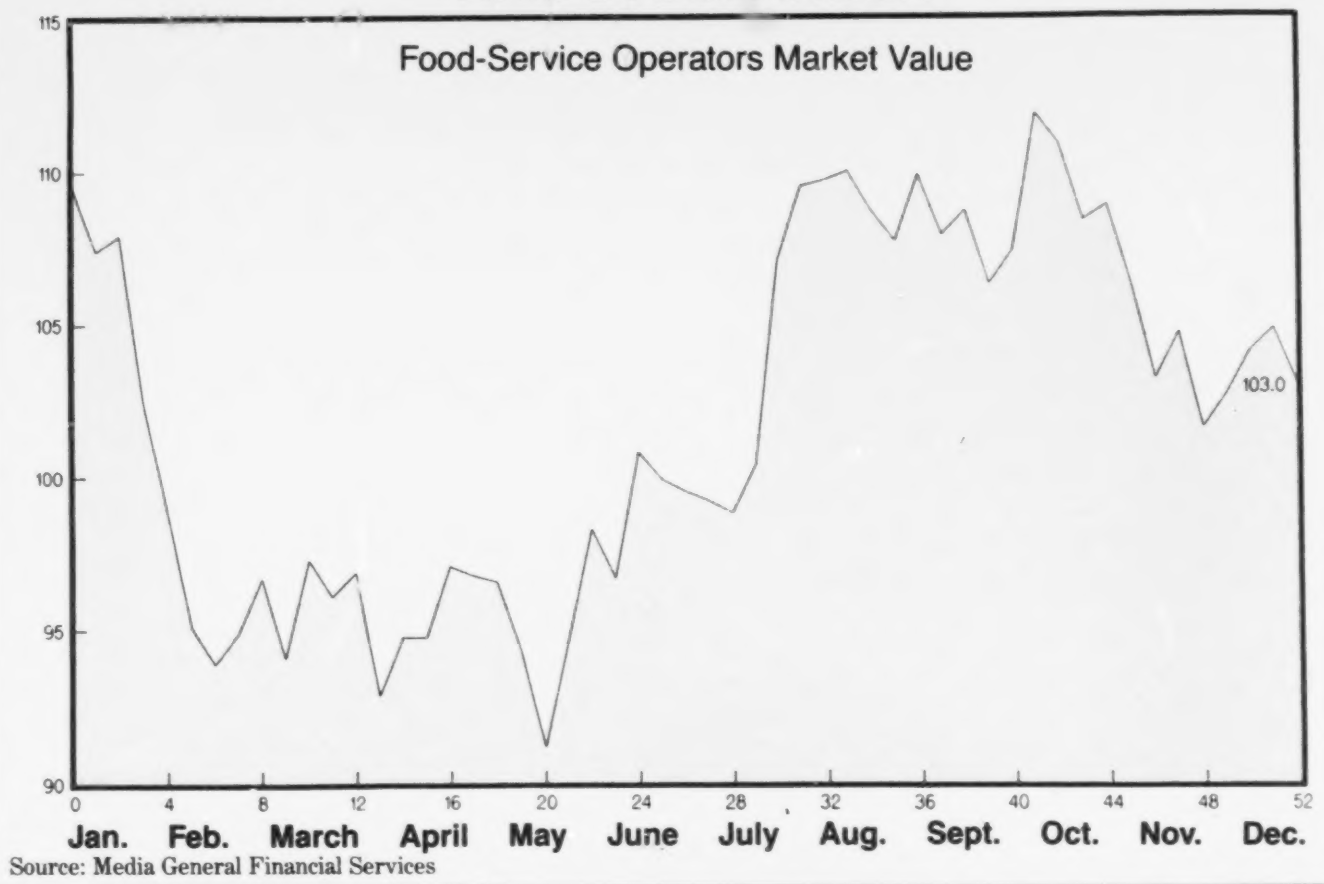
General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

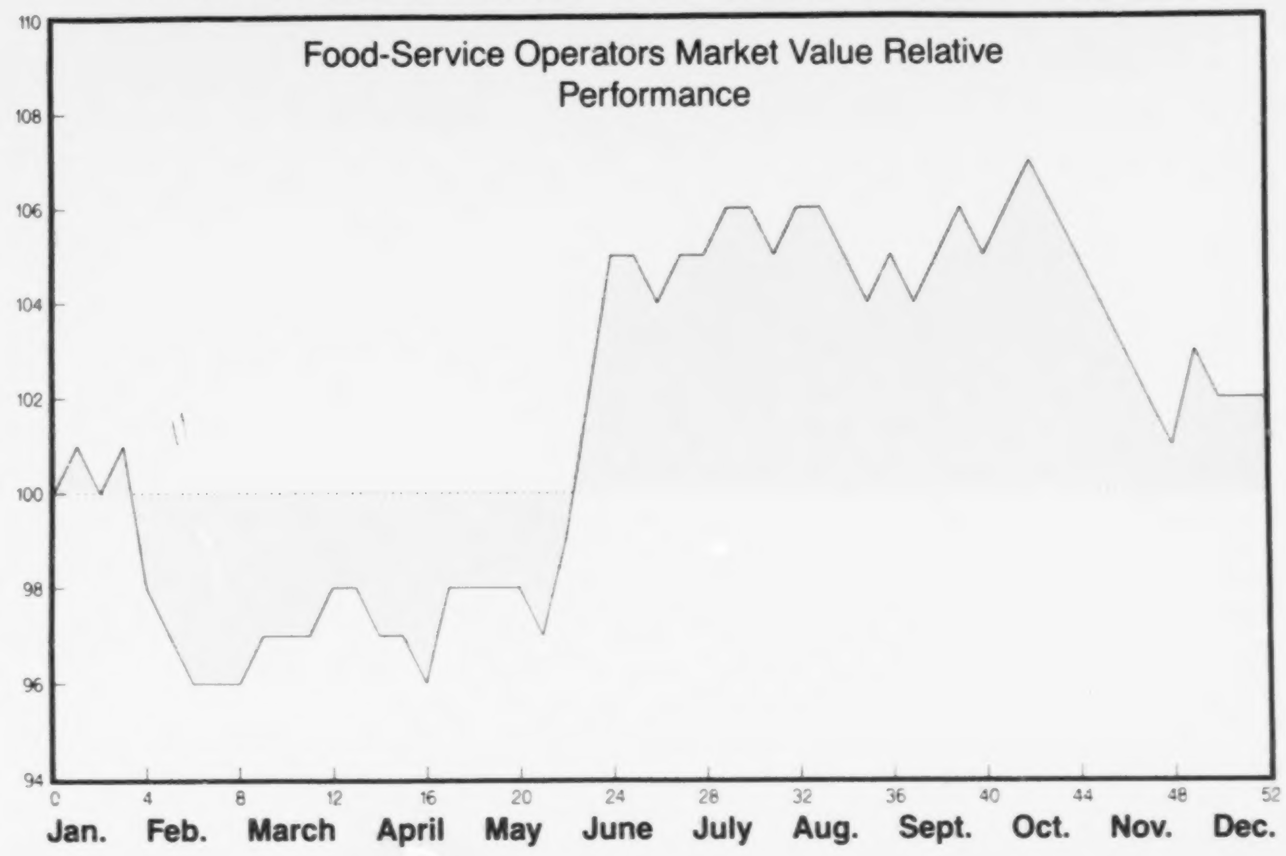
N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

NRN *STOCK INDEX*



Source: Media General Financial Services

NRN *STOCK INDEX VS. DOW JONES INDEX*



Company and Market	Stock Market: Price 1-04-85 Close	Price Weekly Change Amt.	Price Weekly Change Pct.	Price Weekly Range High	Price Weekly Range Low	Price 52-Week Range High	Price 52-Week Range Low	Volume Weekly Shares Traded Total	Volume Weekly Shares Traded % Out	Volume 12-Week Avg. Vol. As % Out	Volume Trend Change	Financial Update: P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report New Report	Latest Report Period	Latest Report Date Ended	Latest Quarter Revenue Amt.	Latest Quarter Revenue Chg.	Latest Quarter Net Income Amt.	Latest Quarter Net Income Chg.	Latest Quarter E.P.S. Amt.	Latest Quarter E.P.S. Chg.	Year-to-Date Revenue Amt.	Year-to-Date Revenue Chg.	Year-to-Date Net Income Amt.	Year-to-Date Net Income Chg.	Year-to-Date E.P.S. Amt.	Year-to-Date E.P.S. Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd .... O	4.50	- .25	- 5.3	5.25	4.50	7.25	4.50	126	.90	.43	109.3	8.2	.00	.0	.....	3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13	- 13.3
Pancho Mex Buffet .... M	7.75	.38	5.1	8.00	7.38	8.00	5.88	101	.36	.74	- 51.4	14.1	.13	1.7	.....	fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest .... M	.38	.00	.0	0.50	0.38	7.88	.25	3,712	4.32	7.01	- 38.4	NE	.00	.0	.....	fiscal	06-84	NC	NC	(27.6)	- 100.0	(3.30)	- 100.0	30.6	12.1	(29.6)	- 100.0	(3.54)	- 100.0
Piccadilly Caf .... M	18.13	- .50	- 2.7	18.75	18.13	24.25	14.00	761	1.26	1.07	17.8	11.2	.60	3.3	.....	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn .... A	8.25	.63	8.2	8.25	7.50	14.50	6.88	235	.77	1.16	- 33.6	8.0	.08	1.0	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks ....M	10.13	.25	2.5	10.13	9.75	16.63	8.75	301	.68	1.05	- 35.2	13.5	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys .... N	13.00	- .63	- 4.6	13.75	13.00	24.88	11.50	1,599	1.67	3.47	- 51.9	7.6	.40	3.1	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc .... O	2.63	- .13	- 4.5	2.88	2.50	7.00	2.38	313	1.13	1.60	- 29.4	23.9	.00	.0	.....	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants ....M	9.75	- 1.00	- 9.3	10.75	9.50	18.75	8.75	1,008	1.59	1.12	42.0	15.0	.00	.0		6 mos.	01-84	21.1	30.2	.6	100.0	.09	28.6	44.2	31.2	2.0	100.0	.32	33.3
Rest Assoc .... A	5.75	- .13	- 2.1	6.00	5.50	9.50	5.50	135	.48	1.04	- 53.8	8.1	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys ....M	13.00	1.25	10.6	13.00	12.00	14.25	9.00	117	.51	.61	- 16.4	15.3	.00	.0	.....	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D ....M	2.06	.13	6.5	2.06	1.75	9.00	1.75	988	1.91	1.44	32.6	NE	.00	.0		9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.6	(1.6)	NE	(.31)	NE
Rusty Pelican ....M	13.38	- .25	- 1.8	13.75	13.25	18.25	11.38	168	.61	2.81	- 78.3	15.7	.00	.0	.....	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak .... O	18.75	.25	1.4	19.00	18.25	23.50	15.50	361	.84	1.92	- 56.3	27.2	.00	.0		9 mos.	09-84	7.8	47.2	.7	40.0	.17	30.8	22.7	66.9	2.3	64.3	.53	47.2
Saga Corp .... N	32.00	- .38	- 1.2	33.63	32.00	35.50	24.63	1.116	.86	.99	- 13.1	13.0	.44	1.4	.....	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef ....M	8.00	.75	10.3	8.25	7.25	11.75	6.75	156	1.21	.79	53.2	13.8	.00	.0	.....	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley ....M	7.25	- .13	- 1.7	7.50	7.13	11.00	7.13	231	.59	2.40	- 75.4	5.1	.00	.0	.....	9 mos.	09-84	15.7	- 14.2	3.0	900.0	.76	1420.0	48.3	- 11.9	5.3	657.1	1.35	694.1
Shoney's Inc ....M	31.63	.00	.0	32.13	31.25	35.13	20.00	1,700	.82	.98	- 16.3	22.9	.16	.5	.....	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06	24.7
Shoney's South ....M	13.00	- .13	- 1.0	13.38	13.00	16.59	11.00	506	.90	.61	47.5	11.0	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	23.5
SIS Cp ....M	4.25	.25	6.3	4.25	4.00	9.00	3.25	172	1.11	.84	32.1	30.4	.00	.0	.....	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl ....M	15.25	.25	1.7	15.25	15.00	18.75	8.75	107	.16	.44	- 63.6	12.2	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers ....M	10.38	.38	3.8	10.38	10.00	11.25	8.00	384	1.41	1.01	39.6	12.7	.06	.6	.....	9 mos.	09-84	14.5	20.8	.5	25.0	.18	20.0	42.3	23.7	1.6	14.3	.60	1.7
So Hospitality ....M	4.25	.00	.0	4.25	4.00	5.13	3.75	177	.37	1.39	- 73.4	12.5	.00	.0	.....	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva ....M	8.25	.25	3.1	8.50	8.00	9.75	7.00	102	.45	.64	- 29.7	19.6	.00	.0	.....	3 mos.	08-84	6.6	94.1	.3	50.0	.14	16.7	6.6	94.1	.3	50.0	.14	16.7
TGI Friday's .... N	8.63	.38	4.5	9.00	8.25	15.88	7.88	642	.56	.95	- 41.1	14.6	.00	.0	.....	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas .... O	2.25	.00	.0	2.75	2.25	5.50	2.25	44	.29	.25	16.0	NE	.00	.0	.....	3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)	NC
Transworld .... N	28.63	- 2.50	- 8.0	31.13	28.25	33.53	23.63	8,673	3.08	3.05	1.0	4.1	.40	1.4	.....	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	NE
USACafes ....M	3.25	- .13	- 3.7	3.63	3.25	5.00	2.75	455	.89	.33	169.7	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants ....M	14.88	- .88	- 5.6	16.00	14.88	20.75	13.25	1,710	2.57	2.40	7.1	12.5	.12	.8	.....	9 mos.	07-84	67.7	127.9	2.7	68.8	.41	57.7	155.1	167.4	5.8	100.0	.87	64.2
Victoria Stations ....M	3.00	.63	26.3	3.13	2.38	8.00	2.13	2,323	6.56	6.30	4.1	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl .... N	16.75	- .25	- 1.5	17.00	16.50	20.50	13.13	6,722	1.23	1.21	1.7	14.0	.28	1.7	.....	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer .... O	9.00	.75	- 7.7	10.50	9.00	12.00	9.00	39	.32	.41	- 22.0	9.8	.20	2.2	.....	6 mos.	08-84	10.3	30.4	.1	- 66.7	.07	- 65.0	19.8	26.1	.4	- 20.0	.33	- 23.3
Winners Cp .... N	6.75	.00	.0	6.88	6.38	15.25	5.13	344	.79	2.39	- 66.9	13.8	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																													
Am Motor Inns .... A	21.38	.00	.0	21.38	21.38	21.75	12.50	12	.01	.05	- 80.0	11.8	.16	.7		3 mos.	10-84	54.6	18.2	7.9	46.3	.68	47.8	54.6	18.2	7.9	46.3	.68	47.8
Brock Hotel Cp .... N	3.38	.25	8.0	3.38	3.00	7.50	2.63	1,812	1.37	1.75	- 21.7	NE	.10	3.0	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels .... N	56.63	- .63	- 1.1	58.38	56.50	58.38	45.50	1,024	.39	1.02	- 61.8	22.7	1.80	3.2	.....	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns .... N	42.88	- .25	- .6	43.88	42.63	51.75	35.25	4,237	1.18	1.44	- 18.1	12.5	.90	2.1	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn .... N	25.25	1.00	4.1	25.38	24.50	25.50	16.00	1,119	.77	.55	40.0	21.0	.12	.5	.....	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns .... N	5.38	- .38	- 6.5	5.75	5.25	11.00	5.13	4,319	1.16	1.50	- 22.7	17.9	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc ....M	16.00	.78	5.1	16.00	15.00	22.28	12.28	23	.07	.45	- 84.4	12.0	.00a	.0	.....	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.55	- 9.8	90.2	24.8	2.8	47.4	.81	44.6
Sonesta Intl .... O	19.50	.00	.0	21.50	19.50	19.50	17.50	0	.00	.03	-100.0	NE	.40	2.1	.....	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev ....M	16.38	.25	1.6	16.75	16.25	20.00	13.50	695	1.16	1.40	- 17.1	10.8	.80	4.9	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nuts .... N	8.13	.00	.0	8.50	8.00	14.56	7.75	400	.87	.78	11.5	90.3	.48	5.9	.....	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09	- 89.7
Disney, Walt .... N	59.38	- 1.13	- 1.9	60.75	59.25	68.50	45.25	4,416	1.31	1.52	- 13.8	21.7	1.20	2.0	.....	fiscal	09-84	463.2	27.6	12.1	- 50.6	.38	- 45.7	1656.0	26.7	97.8	4.9	2.73	1.1
Esteban Foods .... O	1.25	.13	11.1	1.38	1.13	4.00	1.13	142	.61	.97	- 37.1	NM	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills .... N	49.38	- .63	- 1.3	50.88	49.00	60.00	41.63	2,957	.65	1.08	- 39.8	10.6	2.24	4.5	.....	3 mos.	08-84	1386.4	.6	54.1	- 25.4	1.20	- 21.1	1386.4	.6	54.1	- 25.4	1.20	- 21.1
Horn & Hardart .... A	10.13	- .13	- 1.2	10.50	10.00	21.19	8.63	1,122	.91	1.60	- 43.1	11.8	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp .... N	28.13	.13	.4	28.63	27.88	30.25	24.13	762	.40	.77	- 48.1	12.8	1.80b	6.4	.....	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc .... N	42.13	.25	.6	43.00	41.88	45.75	34.50	3,832	.41	.96	- 57.3	12.3	1.68	4.0	.....	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co .... N	43.25	- .13	- .3	44.88	42.88	45.75	33.00	2,236	.52	.65	- 20.0	10.8	1.56	3.6	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France ....M	12.00	.13	1.1	12.13	11.75	15.25	10.50	554	.51	.58	- 12.1	20.3	.23	1.9	.....	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

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General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

SPOTLIGHT ON FINANCE

Inside Denny's leveraged buyout: how it will work

By Rick Telberg

Talk about leverage.

In the leveraged buyout Denny's Inc. management has planned for the La Mirada, Calif., company, insiders may be laying out as little as $1.5 million in cash to buy a chunk of the nation's biggest family restaurant chain, worth about $132 million.

Proxy material sent to shareholders who are expected to approve the $734.2-million proposal at a special meeting next week offers a rare glimpse into the workings of a leveraged buyout.

LBOs, as they are sometimes called, have been criticized for misdirecting the nation's financial assets into paper transactions that simply change ownership instead of being applied to productive uses such as constructing factories and developing new products.

Denny's purchasers, led by Merrill Lynch Capital Markets, are financing $648.2 million in a combination of borrowings and common and preferred stock. The other $104 million is being taken from Denny's own cash hoard.

A consortium of banks led by Morgan Guaranty of New York and Wells Fargo of San Francisco is providing $372.6 million at one point over prime and $118.7 million at 2½ points over prime. Prudential Insurance Co. is lending $60.5 million at 15.5% and $16.4 million at 16.75%.

The consortium including Merrill Lynch is also kicking in $35.6 million for preferred paying 13% dividends and taking 77% of the $44.4 million common stock issue. Denny's profit-sharing plan will invest in 5% of the common.

Denny's 55 top executives, led by president and chief executive Vern Curtis, plan to buy 18% of the company's common stock by investing $8.1 million.

However, roughly $6.6 million of their investment will come from a tax-free swap of existing Denny's stock options and by cashing in accumulated performance bonuses.

Management's $8.1 million may be only 18% of the company's common stock. But 18% represents $132 million of the $734.2 million value of the transaction.

The Denny's deal is structured as a merger in which a Delaware-based holding company named DHI is merging with Denny's so that a stock swap is exempt from taxes. In addition, the deal has certain provisions to soften the tax bite from cashing in bonuses.

John Shad, chairman of the U.S. Securities and Exchange Commission, has warned that LBOs are setting up American industry for a fall.

"The leveraging up of American enterprise will magnify the adverse consequences of the next recession or the next significant rise of interest rates," Shad said.

Others, however, defend LBOs as part of the natural economic order.

Though doubting the wisdom of Denny's plan when it was first announced last May, Andrew Smukler, an analyst at Provident National Bank in Philadelphia, stood firmly behind management's right to attempt it.

"LBOs make private companies out of public companies," Smukler said. "Often private companies can be better run than public ones because they can make short-term sacrifices for long-term gains that public companies cannot."

But the transaction involves a lot of risk, and Denny's appears to be no exception.

Denny's buyers will add more than $520 million to the company's debt load, raising the burden to about $792 million.

But they are also wiping out Denny's equity base, reducing it to about $44 million from $312 million. Denny's debt-to-equity ratio will swing from a balanced 1 to 1 to a lopsided 18 to 1.

Next year's interest payments on the new debt could exceed $72 million, and every one-point tick in interest rates would cost the company about $5 million per year. That would just about wipe out Denny's profits for the next several years. Earnings before interest and taxes in the June-ended fiscal year were about $95 million on revenue of $1.2 billion.

But after writing up and depreciating the company's assets and after deducting interest expenses, the biggest losers could be the tax agents.

* * *

STOCK-PICKERS' PICKS: Michael Culp at Prudential-Bache in New York has raised his sights on Ponderosa Inc. (recent price: $12.50). Culp sees opportunity in the stock's tumble from $25.

"Management capitalized on the economic recovery by broadening the menu" with salad bars and breakfast buffets, Culp said. And if the economy recovers this spring, so will the chain's traffic counts, he added.

Richard Pyle at Piper Hopwood & Jaffray in Minneapolis has drastically reduced his expectations for One Potato Two ($2.38) in the wake of heavier-than-expected third-quarter losses. Pyle recommends the stock for only his most patient, speculative clients. "We do not believe at this point the company will go out of business," Pyle said, "but the next nine months will be a crucial period."

Craig Weichmann at Morgan Keegan in Memphis counts Southern Hospitality's ($4.25) recent sale of its dinnerhouses as a plus. The company has stepped up expansion plans for its Wendy's and Mr. Gatti's units, Weichmann said.

Sales rise 6.5% to $10.1B signaling industry rebound

WASHINGTON — The Government's broadest measure of food-service industry sales rebounded smartly in November, rising 6.5% over the year-ago level after a paltry 2.9% uptick in October.

The news cheered analysts, who saw the gain as a signal that the industry and the economy in general were rising again after a summer slump.

The Commerce Department's Census Bureau advance monthly retail sales report, issued at the end of December, showed sales at eating and drinking establishments at $10.1 billion in November, compared with $9.5 billion in November 1983.

After adjustments for seasonal patterns, November's sales were up 2.7% from October, when the month-to-month measure dropped 2.4%. The year-to-year seasonally adjusted advance in November was 5.9%.

Seasonally adjusted figures, which are usually rendered in month-to-month comparisons, take into account fluctuations caused by the time of year and the number of business days and holidays in a period. But many industry analysts follow the unadjusted figures, which are usually rendered in year-to-year comparisons, because they feel seasonal adjustments can exaggerate short-term variations.

The Commerce Department said total retail sales, aided by an early surge in Christmas shopping, rose a seasonally adjusted 1.8% in November, the sharpest gain since April.

The Labor Department's Bureau of Labor Statistics said the consumer price index for food away from home rose 3.9% year-to-year in November.

The 3.9% rise in menu prices chopped November's sales gains to a "real" 2.6% year-to-year, which was a rebound from October.

"The slowdown in the rate of real sales growth at the unit level may have stabilized," said industry analysts Steven Rockwell and Margaret Preston at Alex Brown & Sons in Baltimore.

While noting a general slowdown in the past five months, analysts at Montgomery Securities of San Francisco said, "The bulk of the individual earnings problems experienced in 1984 can be traced to inappropriate or improperly executed managerial strategies or tactics."

SALES REBOUND IN NOVEMBER AS INFLATION MODERATES

(Year-to-Year Per Cent Change)

Month	Sales	Prices	Real Sales
Nov. '84	6.5	3.9	2.6
Oct. '84	2.9	4.0	(1.1)
Sept. '84	7.0	4.3	2.7
Aug. '84	11.4	4.7	6.7
July '84	6.1	4.4	1.7
June '84	8.8	4.4	4.4
May '84	7.9	4.4	3.5
April '84	7.0	4.1	2.9
March '84	9.1	4.1	5.0
Feb. '84	13.1	4.4	8.7
Jan. '84	9.3	3.8	5.5
Dec. '83	6.6	4.2	2.4

Sources:
Sales: Eating and Drinking Place Sales, not seasonally adjusted, U.S. Commerce Department.
Prices: Consumer Price Index for Food Away from Home, not seasonally adjusted, U.S. Labor Department.
Real Sales: *NRN* calculation: Sales minus Prices.

WALL STREET UPDATE

Index down 1.8 to 103 after strong '84 closing

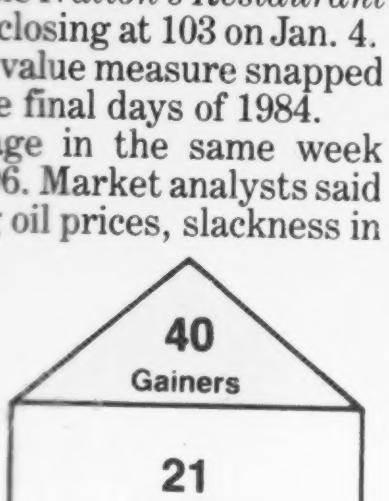
NEW YORK — The new year got off to an inauspicious start in the first week of trading as the *Nation's Restaurant News* stock index gave up 1.8 points, closing at 103 on Jan. 4.

The decline in the 84-issue market-value measure snapped three consecutive weekly gains in the final days of 1984.

The Dow Jones Industrial Average in the same week slipped 19.21 points, to close at 1184.96. Market analysts said Wall Street was spooked by declining oil prices, slackness in high-technology industries and fears of rising interest rates toward the middle of the year.

From the first week of last year to the first week of this year, however, the *NRN* index outperformed the Dow by 2%, falling 6% while the Dow fell about 8%.

Issues advancing in price roughly matched those losing value on the more comprehensive gauge that includes not only food-service opera-



*(See **INDEX**, page 60)*

Restaurant Property files for Chap. 11

DALLAS — Restaurant Property Co., a real estate management company that holds some 200 restaurant sites, has filed for protection under Chapter 11 of the Federal Bankruptcy Code.

Steven Turoff, president of the privately owned corporation, said a plan has been filed with the court to reorganize the company.

Restaurant Property Co. leases sites from landlords and owns sites that it leases to restaurants throughout the Southeast and Midwest. It reached a cash flow crisis when more than 30 sites were vacant, Turoff said.

Chapter 11 protects a company from creditors while it seeks to work out its problems.

C5150-5

Watch out: Here comes the battle of the bigger burgers
—Focus/F5-6

Hello Columbus, the capital of the fast-food industry
—Page 22

Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

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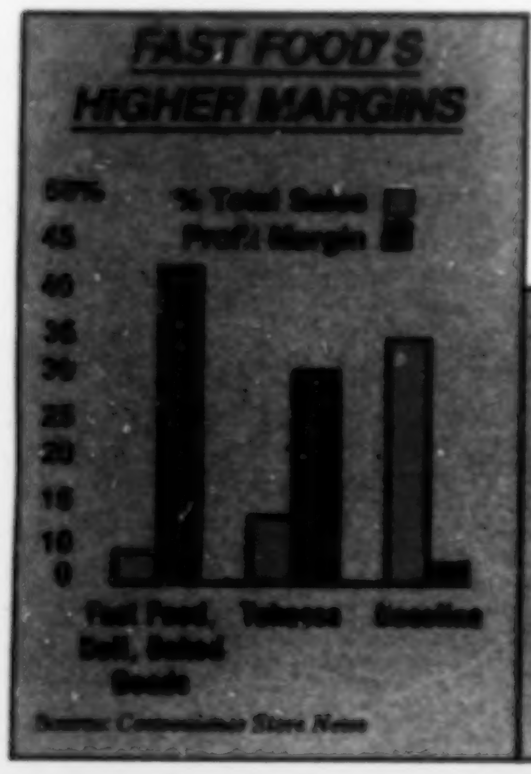
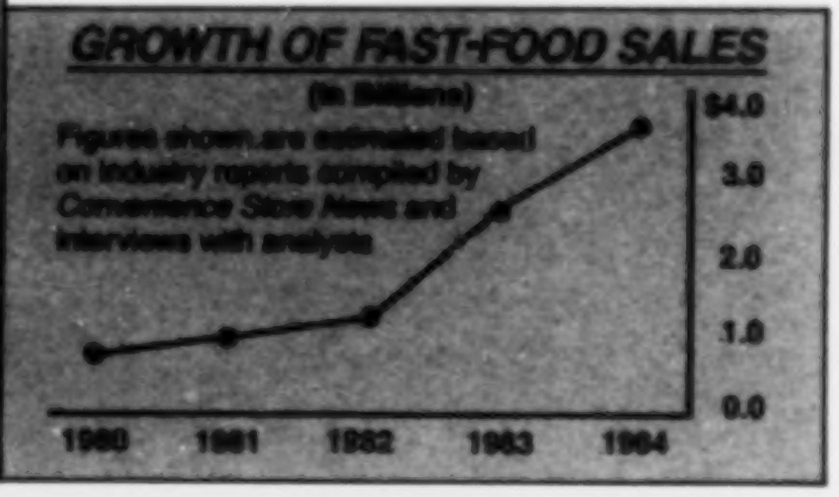
C-stores' fast-food sales soar

7-Eleven, others put high priority on food service





By Mark Schoifet

Convenience-store chains, spurred by whopping profit margins and increasing public acceptance of their outlets as viable places to eat, are staking a larger claim in the fast-food market.

Fast food now accounts for about 11%—or about $3.5 billion—of all in-store (nongasoline) sales at the 55,000 convenience stores in the United States and Canada, and industry analysts expect that figure to climb toward 20% in the second half of the decade.

C-stores, as they are called, accounted for about 8% of all fast-food sales in 1984 and are beginning to be recognized as legitimate competitors with traditional fast feeders.

"We're not a fast-food restaurant, and we don't pretend to be," said Stephen Schwitalla, vice president food-service at the 2,650-unit Circle K

*(See **C-STORE**, page 59)*

Down-home cooking

More independents, newer chains serve up 'stick-to-the-ribs' cuisine

By Susan Spedalle
Food Trends Editor

Ronald Reagan would probably be surprised to hear that he was responsible for creating a food trend.

But the President's penchant for nostalgia and patriotism is just one of the factors restaurateurs say are fueling a renaissance of humble, comforting home-cooked foods.

Mothers, half of whom hold jobs out of the home—according to national statistics—aren't cooking big Sunday dinners anymore. Convenience reigns supreme, and home-cooked foods like macaroni and cheese, meat loaf and pork chops with applesauce have been shoved aside by frozen lasagne, easy-to-prepare hamburgers and the 60-Minute Gourmet.

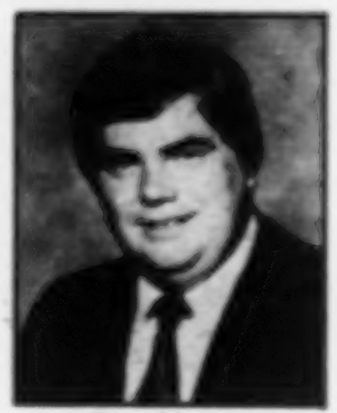
But in such cities as New York, Boston, Manhattan Beach, Calif., and Fort Lauderdale, Fla., customers are now willing to do what was previously unthinkable—go to

*(See **HOME**, page 14)*

More independents and some newer chains have made home-style cooking their specialty.

BK picks Darling as new president

By David Zuckerman



Darling

MIAMI — Jay O. Darling, executive vice president for operations support services, has been named to replace Burger King president and chief operating officer Jerome B. Ruenheck, who resigned. The appointment of Darling is effective immediately.

Darling, 36, joined Burger King 14 years ago as an assistant restaurant manager and was part of the young corps of executives credited with helping to revive the chain over the past two and a half years. Until last September he served as executive vice presi-

*(See **BK**, page 59)*

INSIDE NRN

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A Hollywood hero keeps his food service simple . . . F9

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Brock sells Residence Inns

Stakes chain's future on pizza-and-games segment

By Rick Telberg and Peter Romeo

DALLAS — With the sale of its 33-property Residence Inns long-term-stay hotel chain, beleaguered Brock Hotel Corp. is effectively quitting the lodging business to wager its remaining resources on its ShowBiz Pizza Place and Chuck E. Cheese pizza-and-game concepts.

Betting a new entertainment package that includes nonvideo games for adults and reprogrammed robots that can hold conversations with children will prove the concept viable, chairman Robert Brock has reportedly told remaining managers: "The future of what is now known as Brock Hotel Corp. is in 'the

*(See **BROCK**, page 59)*

U.S. food-service sales up 10% in '84

By Ken Rankin
Washington Editor

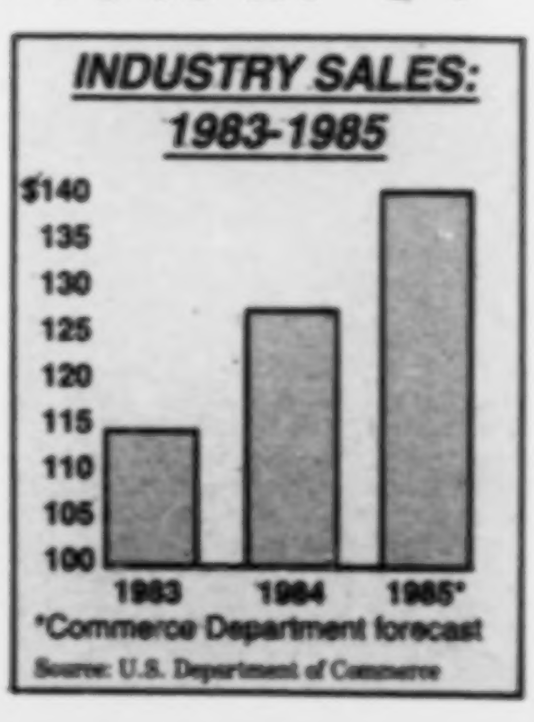
WASHINGTON — American dining and drinking places posted total sales of more than $127 billion in 1984, up 10% from the 1983 level, according to a new set of industry performance figures expected to be released by the Commerce Department this week.

If these projections for 1985 are on target, food-service industry sales should rise by another 10%, to a record $140 billion.

But the new forecast also contains some disturbing news for restaurant workers and individuals seeking food-service employment: The industry's long-heralded ability to generate jobs appears to be slipping.

On balance, however, the new *U.S. Industrial Outlook* for 1985 provides a robust forecast for the restaurant industry for the remainder of the decade, and it suggests that food-service operators can expect the same level of sustained growth that charac-

*(See **REPORT**, page 10)*



Neville: Going out with his boots on

A parting look at an officer and a gentleman of the NRA

By Charles Bernstein

WASHINGTON — The Marine battalion commander led his troops onto the beachhead that gloomy day over 40 years ago as the Battle of Guadalcanal began. Within 30 minutes half the American officers had been killed by Japanese sharpshooters.

But the Marine infantry commander survived this and other fierce World War II battles in the Pacific and later in the Korean and Vietnam Wars. He was always an inspiration to his troops. He even miraculously survived an explosion that buried him in a pile of rubble.

Later he survived in a different way through numerous challenges at the National Restaurant Association for the last 17 years and proved an incredible inspiration to his staff there, too.

Robert B. Neville, who died Jan. 7 at age 67, was a Marine and a trooper to the end. As much as he inspired the servicemen under his command, and then his staff people, he inspired all who knew him even more by his valiant two-year struggle against cancer.

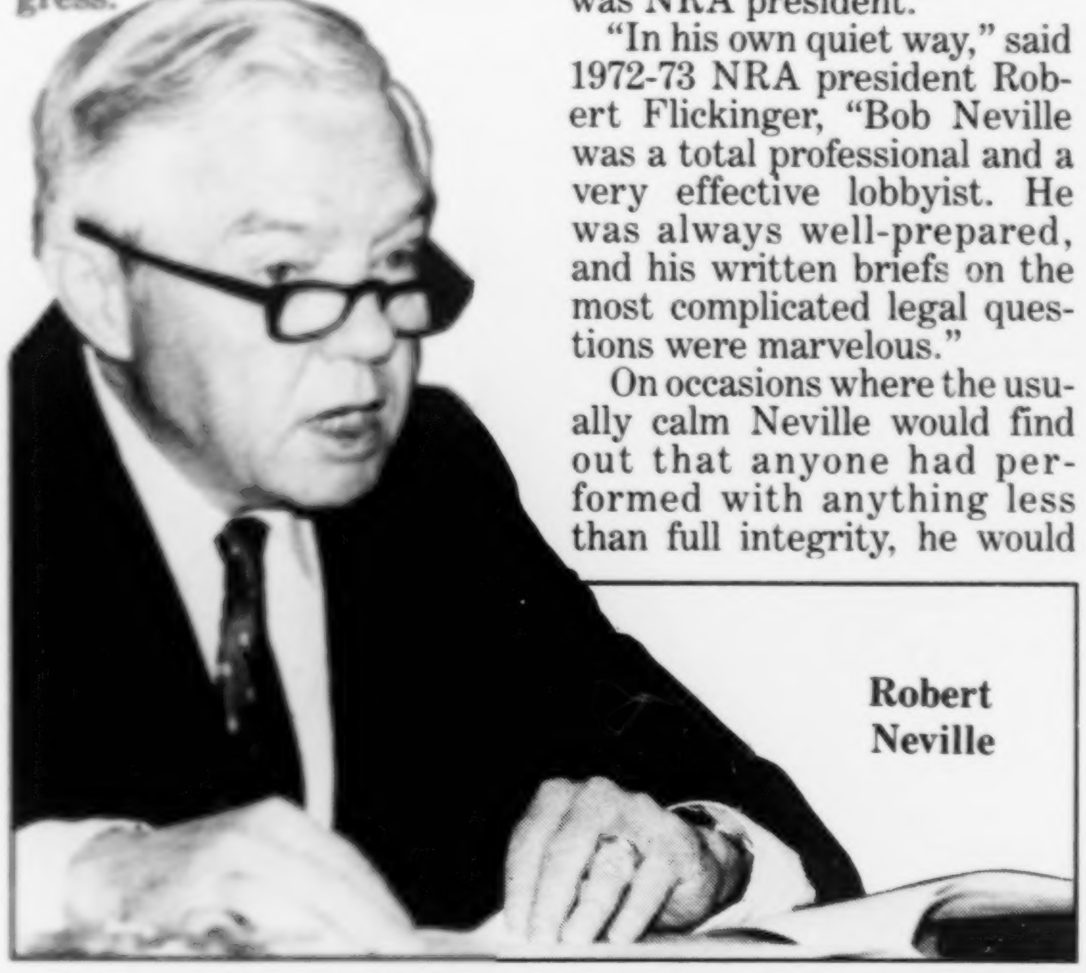
"I'm going out with my boots on," he would say last fall as he strove to remain active against the unrelenting ravages of the disease.

Bob Neville was a true officer and a gentleman, perhaps one of the last of the "old school." But his gentle nature and kindness were sometimes mistaken as signs of weakness, when actually he was tough as nails whenever the occasion demanded.

He was universally respected—even by his staunchest adversaries. After a bitter battle a few years ago between Neville and Sen. Robert Dole (now the new Senate majority leader) over tip credit reporting rules and a threatened reduction in entertainment and meal tax deductions, Dole wrote a letter to Neville, it has been learned, stating that "it was a tough struggle for both of us, but I have nothing but the greatest admiration and respect for you."

Neville said not too long ago, "I don't know why some people think I'm soft. I've taken the toughest actions necessary with staffers whenever the situation demanded it."

Bob Neville was loved by all who knew him. He maintained total integrity and credibility in all his dealings with the NRA staff, the board and Congress.



Robert Neville

"Bob worshipped fairness," says one source close to him. "He would act with due deliberation, but once he made up his mind on any question, he would take immediate action."

During a traumatic period for the NRA in the early 1980's, it was Neville who held the NRA together, both in legislative and lobbying struggles and on the staff.

"Bob Neville was really our salvation during the most trying times," said one NRA board leader of that period. "He offered stability and reason in a time of turmoil. And Bob had the guts to make the tough decisions on the staff. Thank goodness he was there."

Another board source, Chicago's Patrick O'Malley, NRA 1976-77 president, called Neville "the most humble, knowledgeable guy you'd ever want to know. He had humility, but no individual ever made a greater contribution to the NRA than Bob Neville."

Neville expressed himself eloquently on Capitol Hill, O'Malley recalled, "and I particularly remember his tremendous fight for us on the minimum wage issue when I was NRA president."

"In his own quiet way," said 1972-73 NRA president Robert Flickinger, "Bob Neville was a total professional and a very effective lobbyist. He was always well-prepared, and his written briefs on the most complicated legal questions were marvelous."

On occasions where the usually calm Neville would find out that anyone had performed with anything less than full integrity, he would become enraged and let the person know it. But he kept a perspective and balance on where things fitted.

Bob Neville's character was molded very early in a poverty-stricken childhood in Willoughby, Ohio. As a teenager, he would give up meals just to scrounge up 25¢ to see a Shakespeare play. He had a respect for the finer things of life and for the underdog. But most of all, he was totally unassuming and modest even when he had literally pulled himself up by his bootstraps and steadily risen in stature.

He joined the NRA's Washington staff as assistant counsel in 1968 after retiring as a Marine colonel and chief legal adviser to the Marine commandant. He became NRA Washington counsel and head of its Washington office.

After the NRA moved its headquarters from Chicago to Washington in 1979, he served as acting staff chief and executive vice president periodically until finally being named permanently to the staff chief's post in May 1982. He held the post until last February, when his illness finally forced him to step down and William P. Fisher returned to the NRA in his former capacity as staff chief and executive vice president.

Neville was a masterful thinker who insisted on putting all sides of a question on paper. He had an astounding memory and constantly shocked congressmen by recalling names and events that they had long forgotten.

Neville, who had a love for constitutional law, was also adept in tax and labor law and engineered many of the political victories that the food-service industry achieved over the last several years.

He had a problem when he worked in the advocate general's office on legal cases: "He argued his cases for defendants so eloquently and so astutely in the military that many of the people he defended were found innocent. Then every military person accused of anything wanted Bob to represent him, and Bob just didn't have the time to represent them all," said a military source.

Neville is the only known Marine officer to achieve the status (in the 1960's) of a Navy judge advocate general.

As a Marine staff colonel in Vietnam, Neville recalled, "I'd often be surprised to pick up the phone and hear President Johnson relaying commands and questions through me about battle plans."

Neville's staff people admired him. "He was the best boss anyone ever had," said long-time NRA secretary Ruth Tracy. "I saw him get really angry only twice in 16 years, and I could only tell by his body tensing up. He was able to keep his emotions inward when necessary."

"Bob was a warm, behind-the-scenes person," observed NRA 1968-72 staff chief Richard Brown. "He was able to bring chains and small operators together at a time of polarization in the early 1970's."

"Bob Neville was a thoughtful boss, demanding top quality but always sensitive to individual aspirations," said Susan Mills, veteran NRA research director.

Neville is survived by his wife, Annie, at their home in Arlington, Va.; a brother, Donald C. Neville; a daughter, Breen Anne Buff, in Wyoming, and an infant grandson, Allen Robert Buff.

In his final days Neville was overjoyed with the birth of a grandson and felt everything was worthwhile with his whole family present during the toughest weeks when he was in the greatest pain. He always gritted his teeth and somehow persevered then, just as he had done with the Marines and with the NRA.

Funeral services were conducted Jan. 10 at the Fort Myer, Va., Old Post Chapel, and burial was in adjacent Arlington National Cemetery.

A large contingent from the Marine Corps, serving as an honor guard, paid special tribute to Neville outside the chapel and at Arlington.

Perhaps the most compelling tribute was given some years ago, and held true through the present, by House of Representatives former reading clerk Jonas Bartlett, who said that "Bob Neville may be too self-effacing. He is not a personal promotion and recognition operator."

Bob Neville indeed got the job done beautifully every time, without fanfare or frills. He expertly controlled each stern test he faced right to the end.

COMMODITIES

Avian flu aftermath: Overproduction and low prices

By Gary S. Friedman
Commodities Analyst

The results of last year's avian influenza outbreak are now in the second- and third-generation stages of what were expected to be market adjustments. The table egg market has been particularly affected, with prices in the Eastern wholesale markets trading so far in the first quarter of 1985 at 50¢ per large dozen and at 42¢ per medium dozen.

Quite a few eggs got scrambled if you compare these prices to the first quarter of 1984, when table eggs were trading at about $1.03 per dozen. During the avian influenza scare egg buyers were in less strong a position to negotiate and were simply price takers.

Today's price drop to these low levels was due of course to overproduction cycles that have just recently begun. As producers all began to build laying stocks when the egg prices were above $1, misguided thought held that the scare would carry over until the young chickens became productive. Because the Agriculture Department (U.S.D.A.) ordered eradication of infected birds, the disease was held in check—until now.

At current price levels, no one is making money. The U.S.D.A. estimates that the cost of production is about 15¢ above the current market clearing levels. Yet because of the natural inclination to build when prices are high and because of the time lag of the birds' natural laying cycle, laying flocks are still growing while prices fall.

The third quarter of 1984 had stocks increasing 2% over the prior quarter and the fourth quarter of 1984 saw a 4% increase. Analysts are predicting that laying stocks will be 2% to 4% higher in the first quarter of this year.

The only current culling of the flocks is in the older layers. As the younger, more productive pullets come into production now, the older, recycled birds are no longer justified in economic terms.

Since the problem is still one of overproduction in a slowing market, it is hoped that a sufficient quantity of the recycled layers taken out of production will more than offset the new production coming in. If older flocks can be cleaned up by Easter—a traditional boom time in the table egg market because of traditional Easter egg hunts and holiday baking—expect to see a slight improvement in egg prices.

PRICE MOVEMENT AT A GLANCE

	Jan. 10, 1985	Year Ago
Barley, top quality, Mpls., bu.	$2.35-$2.55	$2.80
Beef, 700-900 lb., Mid-U.S., lb., f.o.b.	$0.99	$1.03
Broilers, dressed "A," N.Y., lb.	$0.5511	$0.6183
Butter, AA, Chicago, lb.	$1.41	$1.41
Eggs, large white, Chicago, doz.	$0.48-$0.50	$1.11
Hams, 17-20 lb., Mid-U.S., lb., f.o.b.	$0.70	$0.69
Potatoes, round white, Maine, 50 lb., f.o.b.	$2-$2.15	$4.075
Sugar, cane, raw, world, lb., f.o.b.	$0.0333	$0.0675

Source: NRN Research

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Index up 1.5 pts. to 104.5; recovers previous loss

(Continued from page 62)

Holiday Inns led the volume trends list after announcing it planned a 10-million share buyback program. Holiday Inns shares traded more than 400% heavier, representing 10% of all shares outstanding, than the stock's 12-week average. The price gained $3.63, to close at $46.50.

The week's leading price loser was One Potato Two, down 50¢, to $1.88, a new 52-week low. One Potato Two said it will take a $4 million write-off in the fourth quarter ending Jan. 30, stemming from its plans to close as many as 22 of its 116 outlets.

Brock Hotel Corp. was one of the leading winners in the week, advancing 63¢, to $4. Brock said it was selling its 33-property Residence Inn chain.

Among other stocks in the news recently, Diversifoods, which has undergone a top management shuffle, was unchanged at $9.

Among the most widely held issues, McDonald's gained $2.63, to $54.63. Wendy's, up 13¢, to $16.88. Church's, up $2.38, to $32.38, after flirting in the week with its 52-week high of $32.63. Ponderosa, up 75¢, to $13.75.

Peoples Restaurants led the price winners list, with a 19¢ gain, to 56¢. Fuddruckers was up $2, to $10.88. D'Lites of America, up $2.63, to $15.38. Kelly-Johnston, up 38¢, to $2.25.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Holiday Inns	407.0	Flakey Jakes	152.8
Concept Dev	254.5	Fuddruckers Inc	152.7
Nathans	222.5	Churchs Fr Ch	147.7
Ramada Inns	165.8	Nankin Express	145.7
Intl King Tab	161.3	Dunkin Donuts	128.0

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Peoples Rest	50.0	Hungry Tiger	18.2
Fuddruckers Inc	22.5	Concept Dev	17.2
DLites Of Amer	20.6	Ramada Inns	16.3
Kelly-Johnston	20.0	USACafes	15.4
Brock Hotel Cp	18.5	Nathans	15.0

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
1 Potato 2	- 21.1	Kapok Cp	- 8.7
Nankin Express	- 20.0	Rax Restaurants	- 7.7
Fresher Cooker	- 13.2	SIS Cp	- 5.9
Good Taco	- 12.5	Sea Galley	- 5.2
Old Fashion Fd	- 11.1	Servico Inc	- 4.7

	Stock Market											Financial Update																	
	Price							Volume																					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	1-11-85														New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs O	4.50	.50	12.5	4.63	4.38	8.25	3.50	208	.58	.39	48.7	12.9	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
AcapRs O	4.25	.38	9.7	4.50	3.88	6.00	3.50	136	.55	.68	- 19.1	17.0	.00	.0	—	fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest O	3.13	.25	8.7	3.50	2.88	6.00	2.38	122	.54	1.08	- 50.0	16.4	.00	.0	—	9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts M	13.88	- .25	- 1.8	14.00	13.63	17.13	10.50	875	1.98	3.27	- 39.4	16.3	.12	.9	—	fiscal	09-84	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char A	2.13	.13	6.3	2.13	1.88	4.63	1.75	256	.45	.80	- 43.8	1.6	.00	.0	—	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Bob Evans Farms M	18.00	.00	.0	18.75	17.50	23.00	14.75	597	.37	.60	- 38.3	17.5	.30	1.7	—	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp M	2.00	.25	14.3	2.00	1.75	9.00	1.75	34	.11	.31	- 64.5	NE	.00	.0	—	fiscal	07-84	1.1	- 31.3	(.6)	NC	(.20)	- 100.0	11.5	82.5	(1.5)	- 100.0	(.51)	- 100.0
Calny Food M	8.88	.38	4.4	8.88	8.13	10.75	7.25	1,329	2.93	2.03	44.3	14.1	.16	1.8	—	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab M	1.63	.13	8.3	1.75	1.38	6.13	1.38	1,541	1.35	1.37	- 1.5	NE	.00	.0	—	9 mos.	08-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp N	9.00	.38	4.3	9.13	8.63	10.38	7.13	603	.78	.58	34.5	12.9	.07	.8		6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's M	13.00	.13	1.0	13.13	12.75	24.25	10.00	6,666	2.48	3.91	- 36.6	19.4	.00	.0	—	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chilis Inc O	21.00	.13	.6	21.25	20.38	24.25	12.75	1,524	3.39	4.24	- 20.0	35.6	.00	.0	—	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch N	32.38	2.38	7.9	32.63	29.75	32.63	21.25	8,105	4.31	1.74	147.7	16.9	.80	2.5	—	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods N	16.63	2.00	13.7	16.75	14.38	16.94	9.91	2,287	2.62	1.43	83.2	13.0	.16	1.0	—	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev O	8.50	1.25	17.2	8.75	7.00	17.69	5.75	3,427	6.63	1.87	254.5	16.3	.00a	.0	—	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts M	5.13	- .13	- 2.4	5.13	5.00	9.25	4.75	29	.08	.40	- 80.0	14.6	.00	.0	—	fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant M	5.88	.13	2.2	6.00	5.75	14.75	4.50	480	1.07	2.50	- 57.2	97.9	.00	.0	—	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel M	14.25	.25	1.8	14.50	13.88	23.50	11.75	420	1.18	1.82	- 35.2	15.2	.14	1.0	—	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc O	3.25	.25	8.3	3.75	3.00	5.00	2.75	100	.89	.55	61.8	17.1	.00	.0	—	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc N	42.25	.13	.3	42.50	42.00	42.50	30.25	5,931	3.83	4.09	- 6.4	15.9	.72	1.7	—	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods M	9.00	.00	.0	9.13	8.63	18.00	8.00	12,764	3.81	7.90	- 51.8	9.9	.26	2.9	—	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer O	15.38	2.63	20.6	15.50	13.25	15.38	11.50	2,357	4.82	2.42	99.2	NM	.00	.0	—	6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts M	23.13	.00	.0	23.25	22.38	26.25	18.13	1,161	2.44	1.07	128.0	12.4	.32	1.4	—	fiscal	10-84	23.9	18.3	2.1	10.5	.43	16.2	90.3	16.5	9.1	15.2	1.87	15.4
El Chico M	7.75	.13	1.6	7.88	7.25	14.13	7.25	998	2.15	1.26	70.6	9.8	.00	.0	—	6 mos.	11-84	20.1	4.7	.9	.0	.19	- 5.0	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest N	11.50	.25	2.2	11.63	11.38	14.63	9.00	340	.31	.30	3.3	12.5	.00	.0	—	9 mos.	09-84	65.9	17.3	4.1	17.1	.35	25.0	189.0	20.5	9.0	32.4	.78	44.4
Fast Food Oper O	.94	.00	.0	1.06	0.94	2.25	.69	264	.45	1.36	- 66.9	15.6	.00	.0	—	fiscal	12-83	1.6	33.3	.1	.0	.02	.0	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes M	6.13	- .25	- 3.9	6.13	5.13	9.13	4.25	3,135	4.50	1.78	152.8	NE	.00	.0	—	9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker O	4.13	- .63	- 13.2	4.75	4.13	6.75	4.13	73	.43	.40	7.5	NE	.00	.0	—	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's A	17.25	1.63	10.4	17.25	15.88	17.25	12.00	82	.19	.16	18.8	15.8	.22	1.3	—	3 mos.	08-84	40.5	7.4	1.7	.0	.38	- 5.0	40.5	7.4	1.7	.0	.38	- 5.0
Fuddruckers Inc M	10.88	2.00	22.5	10.88	8.50	16.50	8.50	3,681	5.66	2.24	152.7	NM	.00	.0		9 mos.	09-84	7.2	NC	.6	NC	.09	NC	16.9	333.3	.0	- 100.0	.00	NE
Garcias Scot M	2.44	.31	14.7	2.50	2.06	8.13	1.63	903	1.51	2.24	- 32.6	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco M	.44	- .06	- 12.5	0.50	0.44	7.00	.25	408	1.38	2.58	- 46.5	NE	.00	.0	—	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet O	12.75	.00	.0	13.25	12.75	12.75	9.75	7	.10	.15	- 33.3	11.0	.00	.0	—	fiscal	03-84	9.3	2.2	2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger M	4.88	.75	18.2	5.13	4.13	9.00	3.63	409	1.45	1.33	9.0	27.1	.00	.0	—	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18	NC
Intl Dairy Queen O	40.50	.00	.0	41.50	40.50	41.00	32.50	37	.18	.13	38.5	11.7	.00	.0	—	9 mos.	08-84	40.8	8.2	(26.5)	- 100.0	1.61	15.8	106.5	14.3	6.7	8.1	3.03	20.2
Intl King Tab M	16.88	.38	2.3	17.25	16.25	17.28	11.38	1,288	4.52	1.73	161.3	12.6	.00a	.0	—	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest M	14.00	- .13	- .9	14.25	14.00	16.25	10.38	282	1.24	1.28	- 3.1	11.5	.20	1.4	—	fiscal	09-84	19.6	43.1	1.0	42.9	.42	35.5	68.3	28.1	2.9	31.8	1.22	22.0
Jerrico Inc M	16.75	.00	.0	16.88	16.38	18.50	11.88	2,310	1.47	3.17	- 53.6	12.9	.12	.7	—	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp A	2.63	- .25	- 8.7	2.88	2.50	5.63	1.13	166	.74	2.72	- 72.8	NE	.00	.0	—	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl M	14.25	.13	.9	14.25	13.50	31.50	13.50	1,358	1.92	3.03	- 36.6	8.8	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston M	2.25	.38	20.0	2.50	1.81	13.63	.75	11,320	13.27	6.51	103.8	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	27.00	.00	.0	27.25	26.75	32.00	23.63	814	.67	.48	39.6	18.9	.54	2.0	—	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp M	14.13	- .13	- .9	14.25	13.88	15.25	11.38	159	.31	.22	40.9	9.7	.28	2.0	—	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp N	74.63	1.13	1.5	76.00	73.38	80.25	58.50	2,070	.81	.63	28.6	16.5	.54	.7	—	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest O	2.88	.13	4.5	3.00	2.75	7.00	2.25	235	.47	.61	- 23.0	22.1	.00	.0	—	9 mos.	10-84	3.0	NC	.1	NC	.03	NC	8.3	NC	.6	NC	.13	NC
McDonald's Cp N	54.63	2.63	5.0	54.75	51.75	55.88	40.84	11,524	1.31	1.09	20.2	12.8	.82	1.5	—	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc M	16.38	- .38	- 2.2	16.63	16.38	19.00	13.13	1,897	1.39	1.11	25.2	10.7	.48	2.9	—	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36	16.1
Mr Steak O	1.88	.00	.0	2.00	1.75	3.28	1.13	386	.81	1.01	- 19.8	NE	.00	.0	—	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)	- 100.0
Nankin Express O	1.00	- .25	- 20.0	1.25	1.00	3.25	1.00	506	2.26	.92	145.7	NE	.00	.0		9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans O	2.88	.38	15.0	3.13	2.63	2.88	1.78	575	2.58	.80	222.5	11.1	.00a	.0	—	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18	63.6
Natl Pizza O	7.75	.00	.0	8.50	7.75	9.75	7.50	92	.17	.23	- 26.1	10.2	.00	.0	—	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc M	5.50	- .13	- 2.2	5.63	5.25	19.00	5.25	997	2.15	2.63	- 18.3	NE	.00	.0	—	3 mos.	09-84	38.3	11.0	.4	- 66.7	.10	- 60.0	38.3	11.0	.4	- 66.7	.10	- 60.0
1 Potato 2 O	1.88	- .50	- 21.1	2.38	1.88	12.50	1.88	295	1.35	1.10	22.7	37.5	.00	.0	—	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

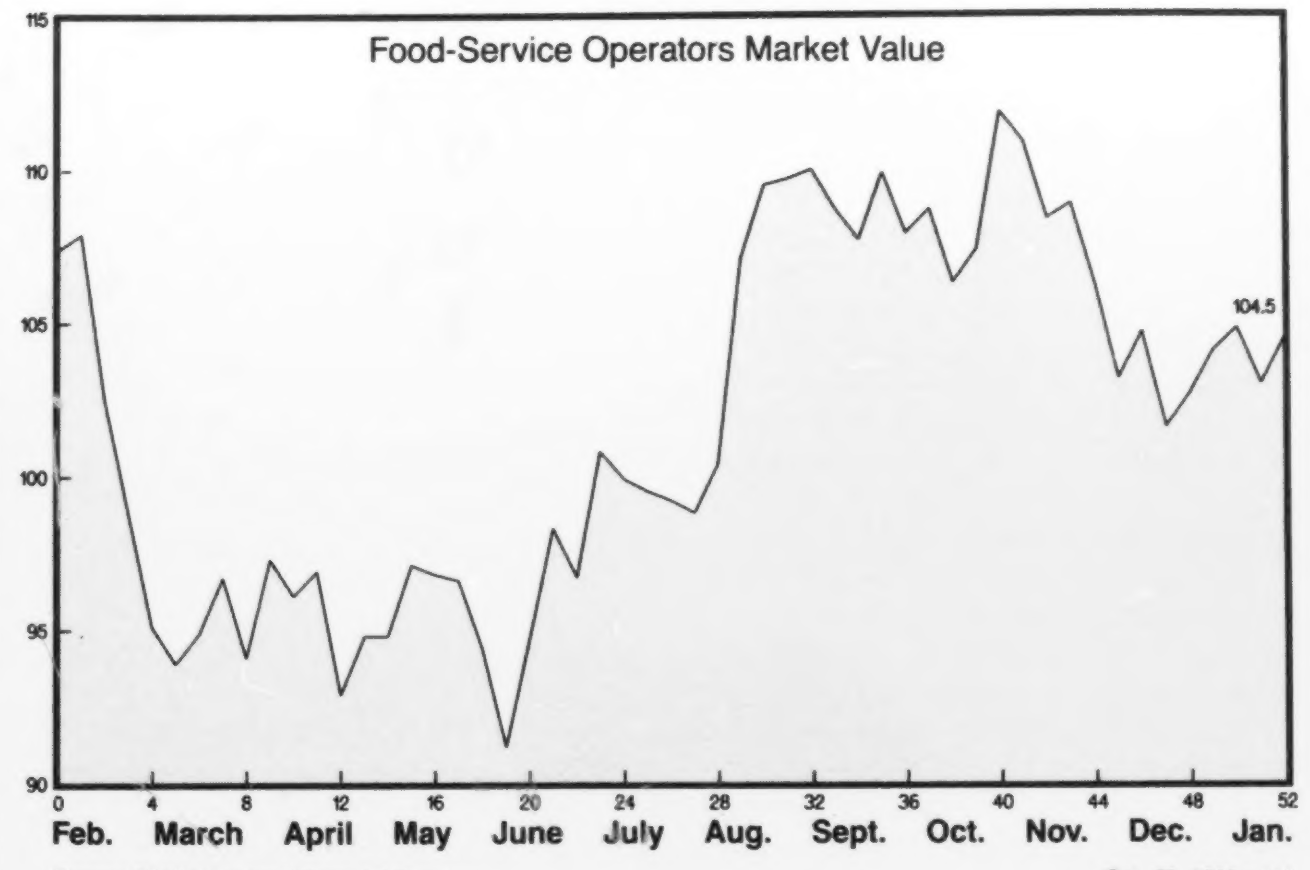
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

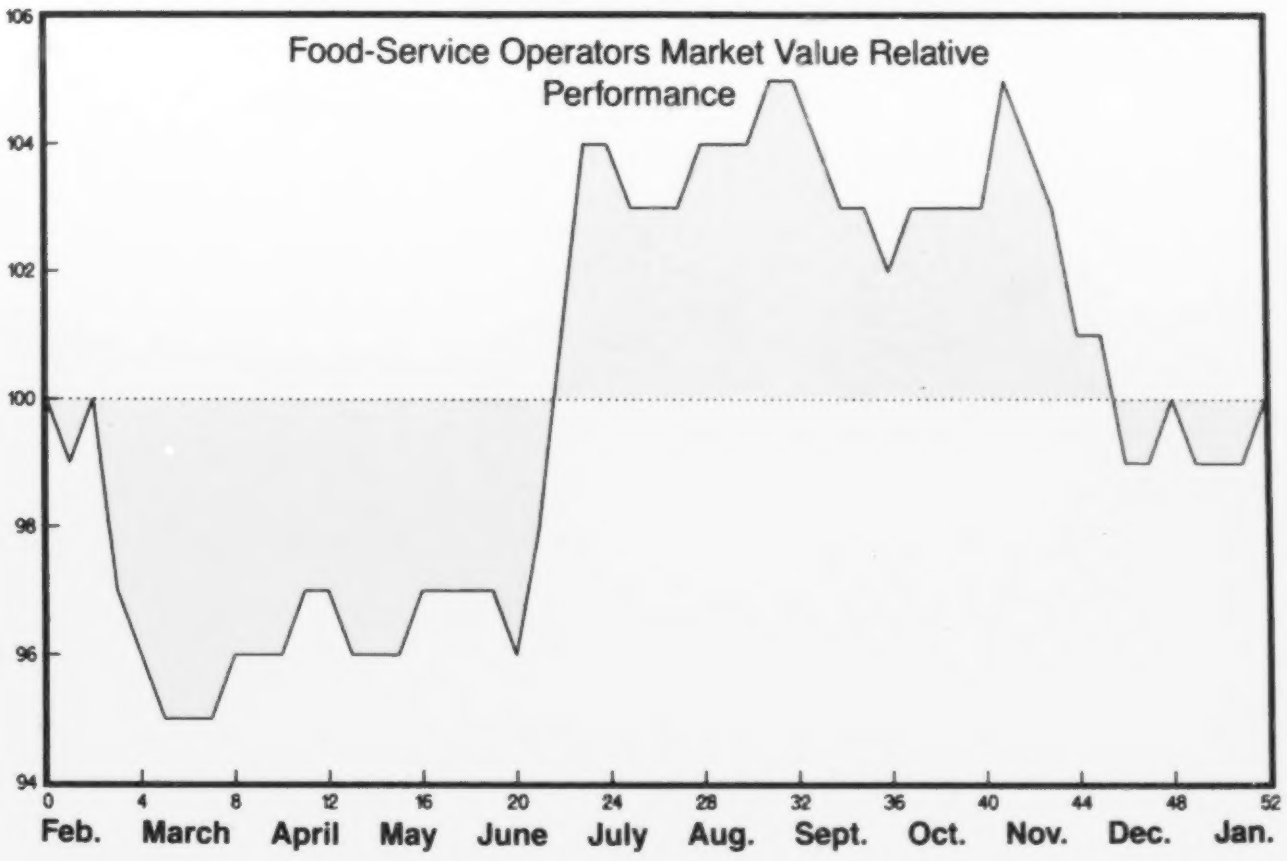
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



	Stock Market											Financial Update																	
	Price							Volume																					
													Indicated		Latest Report			Latest Quarter						Year-to-Date					
	1-11-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd .... O	4.00	- .50	- 11.1	4.75	4.00	7.25	4.00	90	.64	.44	45.5	7.3	.00	.0	·····	3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13	- 13.3
Pancho Mex Buffet ...... M	7.75	.00	.0	7.88	7.63	8.00	5.88	197	.69	.78	- 11.5	14.1	.13	1.7	·····	fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest .... M	.56	.19	50.0	0.56	0.44	7.75	.25	1,270	1.48	7.01	- 78.9	NE	.00	.0	·····	fiscal	06-84	NC	NC	(27.6)	- 100.0	(3.30)	- 100.0	30.6	12.1	(29.6)	- 100.0	(3.54)	- 100.0
Piccadilly Caf .... M	18.25	.13	.7	18.50	17.75	24.25	14.00	437	.72	1.04	- 30.8	11.3	.60	3.3	·····	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn .... A	8.88	.63	7.6	9.13	8.25	13.75	6.88	276	.91	1.16	- 21.6	8.6	.08	.9	·····	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks .... M	10.63	.50	4.9	10.88	10.00	16.63	8.75	246	.56	1.03	- 45.6	14.2	.00	.0	·····	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys .... N	13.75	.75	5.8	13.88	13.00	24.88	11.50	1,789	1.86	3.36	- 44.6	8.0	.40	2.9	·····	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc .... O	2.63	.00	.0	2.75	2.50	7.00	2.38	134	.48	1.55	- 69.0	23.9	.00	.0	·····	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants .... M	9.00	- .75	- 7.7	9.88	8.75	18.50	8.75	1,665	2.63	1.26	108.7	13.2	.00	.0	·····	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc .... A	5.50	- .25	- 4.3	6.00	5.50	9.50	5.50	619	2.21	1.13	95.6	7.7	.00	.0	·····	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys .... M	13.00	.00	.0	13.00	12.25	14.25	9.00	218	.94	.67	40.3	15.3	.00	.0	·····	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D .... M	2.00	- .06	- 3.0	2.00	1.88	9.00	1.75	317	.61	1.37	- 55.5	NE	.00	.0	·····	9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican .... M	13.00	- .38	- 2.8	13.00	12.75	18.25	11.38	255	.92	2.71	- 66.1	15.3	.00	.0	·····	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak .... M	19.50	.75	4.0	19.75	18.75	23.25	15.50	1,115	2.59	2.04	27.0	28.3	.00	.0	·····	9 mos.	09-84	7.8	47.2	.7	40.0	.17	30.8	22.7	66.9	2.3	64.3	.53	47.2
Saga Corp .... N	31.00	- 1.00	- 3.1	32.38	30.00	35.50	24.63	2,756	2.12	1.04	103.8	12.6	.44	1.4	·····	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef .... M	8.50	.50	6.3	8.50	7.75	11.75	6.75	102	.79	.82	- 3.7	14.7	.00	.0	·····	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley .... M	6.88	- .38	- 5.2	7.00	6.50	11.00	6.50	948	2.41	2.22	8.6	4.9	.00	.0	·····	9 mos.	09-84	15.7	- 14.2	3.0	900.0	.76	1420.0	48.3	- 11.9	5.3	657.1	1.35	694.1
Shoney's Inc .... M	32.38	.75	2.4	32.63	31.38	35.13	20.00	1,132	.55	.88	- 37.5	23.5	.15	.5	·····	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06	24.7
Shoney's South .... M	13.50	.50	3.8	13.50	13.00	16.59	11.00	96	.17	.59	- 71.2	11.4	.00	.0	·····	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	23.5
SIS Cp .... M	4.00	- .25	- 5.9	4.25	4.00	8.75	3.25	20	.13	.83	- 84.3	28.6	.00	.0	·····	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl .... M	16.13	.88	5.7	16.50	15.00	18.75	8.75	232	.34	.40	- 15.0	12.9	.00	.0	·····	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers .... M	11.25	.88	8.4	11.38	10.38	11.25	8.00	449	1.65	1.12	47.3	13.7	.06	.5	·····	9 mos.	09-84	14.5	25.0	.5	25.0	.18	20.0	42.3	25.1	1.6	14.3	.60	1.7
So Hospitality .... M	4.13	- .13	- 2.9	4.13	4.00	5.00	3.75	527	1.10	1.44	- 23.6	12.1	.00	.0	·····	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva .... M	8.25	.00	.0	8.25	7.75	9.50	7.00	192	.84	.64	31.3	19.6	.00	.0	·····	3 mos.	08-84	6.6	94.1	.3	50.0	.14	16.7	6.6	94.1	.3	50.0	.14	16.7
TGI Friday's .... N	9.63	1.00	11.6	9.63	8.88	15.25	7.88	1,050	.92	.99	- 7.1	16.3	.00	.0	·····	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas .... O	2.25	.00	.0	2.75	2.25	5.50	2.25	33	.22	.23	- 4.3	NE	.00	.0	·····	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld .... N	29.88	1.25	4.4	30.00	28.75	33.53	23.63	11,079	3.93	2.92	34.6	4.2	.40	1.3	·····	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	NE
USACafes .... M	3.75	.50	15.4	4.00	3.25	5.00	2.75	167	.33	.35	- 5.7	NA	.00	.0	·····		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants ...... M	15.00	.13	.8	15.00	14.38	20.75	13.25	2,673	4.02	2.62	53.4	11.4	.12	.8	·····	fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations .... M	3.00	.00	.0	3.00	2.75	8.00	2.13	454	1.28	5.63	- 77.3	NE	.00	.0	·····	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl .... N	16.88	.13	.7	17.13	16.63	20.50	13.13	13,362	2.45	1.33	84.2	14.1	.28	1.7	·····	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer .... O	9.00	.00	.0	10.00	9.00	12.00	9.00	0	.00	.40	-100.0	15.8	.20	2.2	·····	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp .... N	6.75	.00	.0	7.00	6.63	14.88	5.13	346	.79	2.41	- 67.2	13.8	.00	.0	·····	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	4.00	.63	18.5	4.00	3.25	7.38	2.63	1,398	1.06	1.67	- 36.5	NE	.10	2.5	·····	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels .... N	57.50	.88	1.5	57.88	56.50	58.38	45.50	1,643	.63	.99	- 36.4	23.0	1.80	3.1	·····	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns .... N	46.50	3.63	8.5	47.25	42.88	51.50	35.25	36,468	10.19	2.01	407.0	13.6	.90	1.9	·····	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn .... N	25.75	.50	2.0	25.75	24.88	25.75	16.00	1,265	.87	.59	47.5	21.5	.12	.5	·····	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns .... N	6.25	.88	16.3	6.63	5.38	10.38	5.13	15,913	4.28	1.61	165.8	20.8	.00	.0	·····	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc .... M	15.25	- .75	- 4.7	16.00	15.25	22.28	12.28	79	.23	.43	- 46.5	11.5	.00a	.0	·····	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.55	- 9.8	90.2	24.8	2.8	47.4	.81	44.6
Sonesta Intl .... O	19.50	.00	.0	21.50	19.50	19.50	17.50	8	.05	.03	66.7	NE	.40	2.1	·····	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	16.75	.38	2.3	17.00	16.38	20.00	13.50	380	.63	1.03	- 38.8	11.0	.40	2.4	·····	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut .... N	7.75	- .38	- 4.6	8.25	7.63	14.56	7.63	320	.69	.79	- 12.7	86.1	.48	6.2	·····	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09	- 89.7
Disney, Walt .... N	63.25	3.88	6.5	63.38	59.63	68.50	45.25	7,991	2.37	1.58	50.0	23.2	1.20	1.9	·····	fiscal	09-84	463.2	27.6	12.1	- 50.6	.38	- 45.7	1656.0	26.7	97.8	4.9	2.73	1.1
Esteban Foods .... O	1.25	.00	.0	1.38	1.13	4.00	1.13	186	.79	.88	- 10.2	NM	.00	.0	·····	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills .... N	48.13	- 1.25	- 2.5	49.38	47.75	60.00	41.63	5,357	1.19	1.13	5.3	11.5	2.24	4.7	·····	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Horn & Hardart .... A	10.25	.13	1.2	10.38	9.75	21.19	8.63	1,587	1.28	1.55	- 17.4	11.9	.00a	.0	·····	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp .... N	28.25	.13	.4	28.38	27.00	30.25	24.13	1,677	.88	.80	10.0	12.8	1.80b	6.4	·····	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc .... N	41.00	- 1.13	- 2.7	42.13	40.63	45.75	34.50	12,195	1.30	.94	38.3	12.0	1.68	4.1	·····	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co .... N	43.00	- .25	- .6	43.88	41.25	45.75	33.00	5,541	1.28	.63	103.2	10.7	1.56	3.6	·····	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France .... M	11.75	- .25	- 2.1	11.88	11.50	15.25	10.50	739	.68	.57	19.3	19.9	.23	2.0	·····	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

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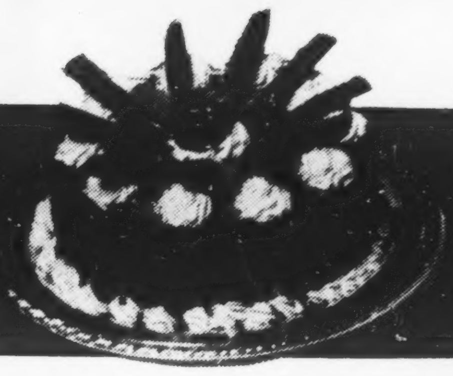
Desserts take spotlight as critical check builders
—Focus/F3-4



NRN profiles Harris Machus: The Silver Fox of food service
—Focus/F6

Nation's
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CHEFS' SALARIES

	Low (1,000's)	Median (1,000's)	High (1,000's)
Hospitality			
Executive Chef	22-30	31-45	46-80
Chef	19-23	24-32	32-44
Sous Chef	18-23	24-26	27-35
Pastry Chef	18-25	26-32	33-42
Restaurant/Fast Food			
Executive Chef or Chef	23-48	29-35	36-50
Sous Chef	18-23	24-28	29-35
Garde Manger	16-20	20-21	22-26
Pastry Chef	19-21	23-26	28-33

Source: Roth Young 1984 Wage and Salary Review

Chef search

Hiring the best kitchen hands gets tougher, more expensive

NRN Special Report

Joe Carlucci was only three months away from opening his 160-seat Chicago restaurant, Carlucci's, and he had yet to find an executive chef.

The problem was not a lack of candidates. Carlucci says he received more than 250 applications from chefs who had heard about him.

Nor was the problem salary. He was willing to pay the going rate—in the range of $35,000 to $40,000 annually—plus benefits.

The problem, as Carlucci explains, was qualifications. "I was being extremely picky," he says. "I knew what I wanted in a chef and just wasn't going to compromise."

The days of hiring the first

*(See **CHEFS**, page 12)*

Taste of Inaugural

Independents shine at Washington gala

By Paul Frumkin

WASHINGTON — Restaurateurs, chefs and caterers from across the country were in the forefront of the action as they worked around the clock to help turn Ronald Reagan's four-day victory celebration here into one of the more memorable inaugurations in recent history.

For the first time, the industry's participation—which for the most part had always been kept well out of the spotlight—was highly conspicuous in nearly every aspect of the long weekend, from the opening public events on Friday afternoon, through the nine exclusive inaugural balls Monday night.

"I have never seen it like this before," said Jean-Claude Nedelec, chef and co-owner of the New York-Washington caterers, Glorious Foods. "Food usually takes a backseat. This year it's right up in the forefront."

Michael Comisar, owner of the Maisonette in Cincinnati, observed that it was important that the food-service industry "show a strong presence . . . at the inauguration," and throughout the weekend,

*(See **GALA**, page 69)*

President Ronald Reagan being sworn in by Chief Justice Warren Burger as Nancy Reagan looks on.

Super Bowl Sunday: Food service scores

By Alan Liddle
San Francisco Bureau

PALO ALTO, Calif. — A relatively small, independent food-service operator proved to the National Football League that he and his crews could handle the demands of feeding 86,000 fans attending Super Bowl XIX at Stanford Stadium.

Jose Placencia, owner of Western Sports Enterprises Inc., which has had food concessions at Stanford University and the University of California at Berkeley since 1980, understood the concern of the NFL, but didn't believe it was warranted.

"If I were in their shoes, I'd

*(See **SUPER**, page 69)*

INSIDE NRN

TURNING HEADS
Rotisserie cooking gains new converts 21

BOJANGLES' BIGGEST
Chicken chain's 300th unit is a converted Rustler . . .24

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McD, Circle K mull combo site

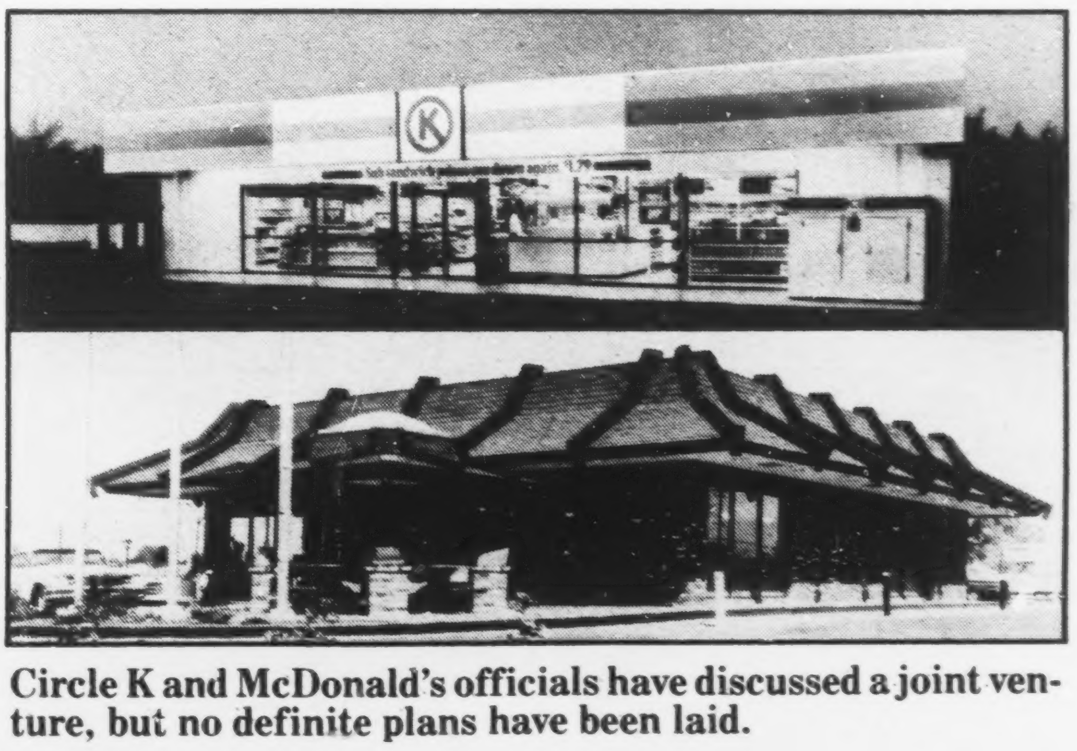
Start talks on opening restaurant/c-store complex

By Mark Schoifet

NEW YORK — Circle K, the nation's second-largest convenience chain, is conducting talks with McDonald's on the feasibility of opening a restaurant/c-store complex on a joint site.

Karl Eller, chairman and chief executive of Circle K, recently discussed the venture with two McDonald's executives, Edward H. Schmitt, vice chairman and chief administrative officer, and Wilburn H. Sutherland, vice president and director of real estate.

"They were very interested," Eller said, "because they felt we weren't competitive, except for one area—breakfast. I think what they were worried about is that we served it faster than they did. I know that sounds impossible."



Circle K and McDonald's officials have discussed a joint venture, but no definite plans have been laid.

McDonald's declined to comment on the specific details of the meeting.

"We've made no plans or commitments whatsoever," said Terri Capatosto, McDonald's media supervisor. "We make all real estate decisions on a case-by-case basis."

Eller, who came to Circle K in 1983 after serving as president of Columbia Pictures Communications, said a joint

*(See **TALKS**, page 69)*

Initial public offerings—fewer, but bigger

As failure rate among new chains stays high, investors may be wary

By Don Jeffrey

Because the failure rate among start-up restaurant companies will continue to be high, those making initial public offerings this year will be the bigger, more established chains that can boast profit and sale gains, according to an informal consensus of analysts and other experts.

"Investors could be wary," says Alex. Brown & Sons analyst Margaret Preston.

The number of restaurant companies going public in 1984 was down significantly from 1983—to just 13 companies, from 36 the previous year.

But experts say comparisons should not be made to 1983—termed an "exceptional" year for new offerings and the stock market in general—and that, compared to previous years, 1984 was a good year.

In 1984 a total of 546 companies went public, raising $3.8 billion in initial offerings, according to Helen Summers, of the publication, *Going Public: The IPO Reporter.* In 1983, a whopping 888 companies went public, raising $12.6 billion. The previous year, however, new issues totaled just 568—not much higher than last year.

Experts say established companies rather than start-ups will be the ones going public this year because of the relatively poor showing restaurant stocks in general made last year. Analyst Michael Culp of Prudential-Bache called it a "depressing trend" and said it was due to disappointing profits.

"While many start-ups came public with great expectations," Culp said, "many failed to deliver."

The three top new public performers of 1984 were all highly publicized chains that

*(See **IPO**, page 10)*

1984 INITIAL PUBLIC OFFERINGS

Company/ Head Office	Concept	Date of Offering	Initial Stock Price	Recent Stock Price
Chili's Dallas, Tex.	Gourmet burgers	Jan. 6	$15	$21
El Torito Restaurants Irvine, Calif.	Full-service Mexican	Jan. 19	$13	$11.50
American Restaurants Ventura, Calif.	Wendy's, Pizza Time franchisee	Feb. 3	$5	$3.13
Vie de France Vienna, Va.	Bakery-cafes	Feb. 23	$11.50	$11.75
Tokyo Bowl Aurora, Colo.	Japanese fast-food, family restaurants	April 6	$0.50	$0.125
This Can't Be Yogurt Little Rock, Ark.	Frozen yogurt	May 10	$7.25	$13.50
Fresher Cooker Louisville, Ky.	Fast-service reduced-calorie	May 11	$7	$4.13
Zorba's Palace Fairfield, N.Y.	Greek-style fast-service	June 29	$0.10	$0.15
Ching Ching New York, N.Y.	Full-service Chinese	July 27	$0.01	$0.0075
National Pizza Company Pittsburg, Kan.	Pizza Hut franchisee	Aug. 14	$9.50	$7.75
D'Lites of America Norcross, Ga.	Reduced-calorie fast-service	Sept. 19	$9.50	$15.38
El Pollo Asado Phoenix, Ariz.	Chicken	Oct. 17	$3	$3
Restaurant Mgt. Services Macon, Ga.	Shoney's, Lee's, Cpt. D's franchisee	Nov. 1	$10.50	$9.50

Source: *NRN* research

One Potato Two closes 22 units, writes off $4 million

MINNEAPOLIS — The new president of One Potato Two, which sells baked potatoes with toppings at mall sites, said the company is taking a $4 million write-off to close 22 of its 116 restaurants and will attempt to sell as franchises 20 to 30 additional stores.

"My goal is to take this company on a franchise path," said Ken Rittmueller, who was named president and chief operating officer in December to succeed Alan Kirchner. Kirchner remains chairman and chief executive.

In addition, many remaining company restaurants, which reportedly have to turn customers away at peak traffic periods, will be outfitted with a second service line to handle the volume, Rittmueller said.

He said his plan to refashion One Potato Two would increase the number of franchised stores in the system from four now to 30 to 50 in two years, while the company continued to operate 40 to 50 units.

Before joining One Potato Two, Rittmueller, 39, was senior vice president at Swiss Colony stores and general manager at Hickory Farms, both of which are specialty food retailers.

Richard Pyle, a security analyst at Piper, Jaffray & Hopwood, said One Potato Two's financial problems were severe. Noting the company owes $7.5 million in bank debt against $2 million in net worth, Pyle said he doubted whether the company could turn a profit in the new fiscal year.

Rittmueller said, however, "We will be profitable. This is an extremely viable concept."

The company, which serves baked potatoes in shopping malls from coast to coast, said it planned to take the write-off in the fourth quarter ending Jan. 31. In last year's fourth quarter, the company earned $868,900 on revenue of $3.4 million.

One Potato Two's stock price, which had traded as high as $12.50 per share in the past year, fell 50¢ to a year-long low of $1.88 in the week the company announced the write-off.

The 22 ailing stores lost $565,000 on sales of $1.4 million through nine months ended in September.

COMMODITIES

January food inflation rate low; prices hold steady

NRN Special Report

Prices in general have followed a stable trend for the first half of the month, with no major disasters hitting current growing areas. The unusual snow in Texas the first two weeks of January caused damage to that state's citrus crop—which was decimated by last year's freeze, followed by further catastrophe when thousands of seedlings purchased from Florida nurseries had to be destroyed because of theat of citrus canker. Most of the Texas citrus fruit goes into the fresh market, however, and should not hit operators outside the Southwest.

Other good news: The rate of inflation seems to be logging behind last year's minimal growth. If it holds through the year, costs of food—barring natural catastrophes—should stay moderate.

The U.S. Department of Agriculture has published a series of statistics on consumption patterns of processed vegetables through 1983 (the latest available figures). In general, both consumers and food-service operators have been purchasing less canned vegetables, and, in many cases, fewer frozen ones as well. (The U.S.D.A. does not break out retail/consumer and food-service consumption separately.)

The one big gainer, frozen corn, saw canned consumption (whole kernel and cream style) fall from 6 lb. per capita in 1974 to 5.2 lb. in 1983. At the same time, consumption of frozen corn (both cob and cut kernel) rose from 1.6 lb. in 1974 to 2.2 lb. in 1983—a switch of a ½-lb. per person from canned to frozen.

But the picture in peas, spinach and green beans isn't tilted that way. Canned pea consumption fell from 3.5 to 2.7 lb., but frozen peas declined, too—from 1.7 to 1.5-lb. per person. Canned green beans were down from 5.9 to 5.1 lb., but frozen green beans stalled along with a 1.1 average in 1974 to a 1 average in 1983.

One unusual factor was that canned carrots gained in the last couple of yers. Although carrots dropped from 0.6 lb. in 1974 to 0.3 lb. in 1982, they came back with a rush to hit 0.6 lb. again in 1983. Frozen carrots, on the other hand, essentially held steady at 1 lb. per capita over the 10-year period.

Canned tomatoes, for which there is no frozen counterpart, increased, despite a number of poor crop years with attendant high prices. In 1983, tomato consumption had risen to 6.5 lb. from 5 lb. in 1974. In fact, 1983's consumption was the highest in the past 20 years.

Tomato products (sauce, ketchup, paste, puree and juice), on the other hand, fell, dropping to 14.5-lb. per person from 1974's 15.5 lb. However, it was a bumpy road, building to 17.4 lb. consumed in 1979, then, just two years later (a poor crop year with high prices) falling to 12.6-lb. per capita. Some agricultural economists say consumption patterns will continue to rebuild for tomato products, even with the growing popularity of prepared pizza and spaghetti sauces—uses for a good part of sauce, puree and paste sales.

Many operators have shifted entirely from canned to frozen for vegetable side dishes, contributing to the decrease in per capita consumption of canned vegetables such as asparagus, beets and mixed vegetables, and the increasing use of frozen broccoli, cauliflower and asparagus.

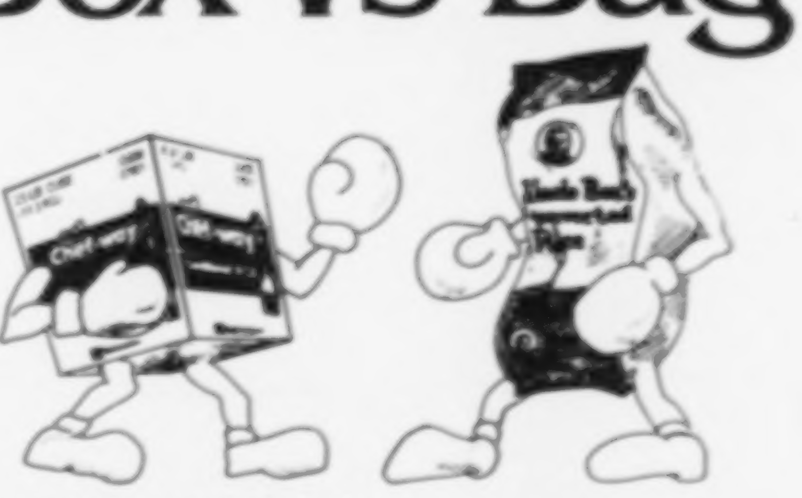
Continued heavy marketing of hogs, as farmers cut back on their production plans for the first half of this year, has held a lid on pork prices. But the supply will be choking off about the end of next month, according to some agricultural economists, with pork prices starting to soar. The U.S.D.A. survey of hog raisers intentions indicated there was going to be about 6%-8% fewer hogs available through June.

PRICE MOVEMENT AT A GLANCE

	Jan. 14, 1984	Dec. 14, 1984	Jan. 14, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.07	$1.02	$1.00
Broccoli, No. 1, fresh, Calif. (14s)	$9.00-$10.00	$5.00-$5.50	$5.00-$6.00
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$0.6443	$0.5263	$0.5497
Butter, Grade AA, Midwest (lb.)	$1.41	$1.4325	$1.14125
Eggs, Grade A, large white, Chicago (doz.)	$1.12	$0.63-$0.65	$0.55-$0.57
Lettuce, iceberg, No. 1, Calif. (24s)	$3.00-$3.50	$3.00-$3.50	$7.00-$8.00
Peanuts, shelled Jumbo Runners, SE (lb.)	$0.58	$0.45	$0.43
Pepper, black, N.Y.C. port (lb.)	$1.07	$1.03	$1.15
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$1.01	$0.94	$1.00
Potatoes, round white, 50-lb. bag, Maine (lb.)	$4.00	$1.95-$2.00	$2.05-$2.15

Source: NRN Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.



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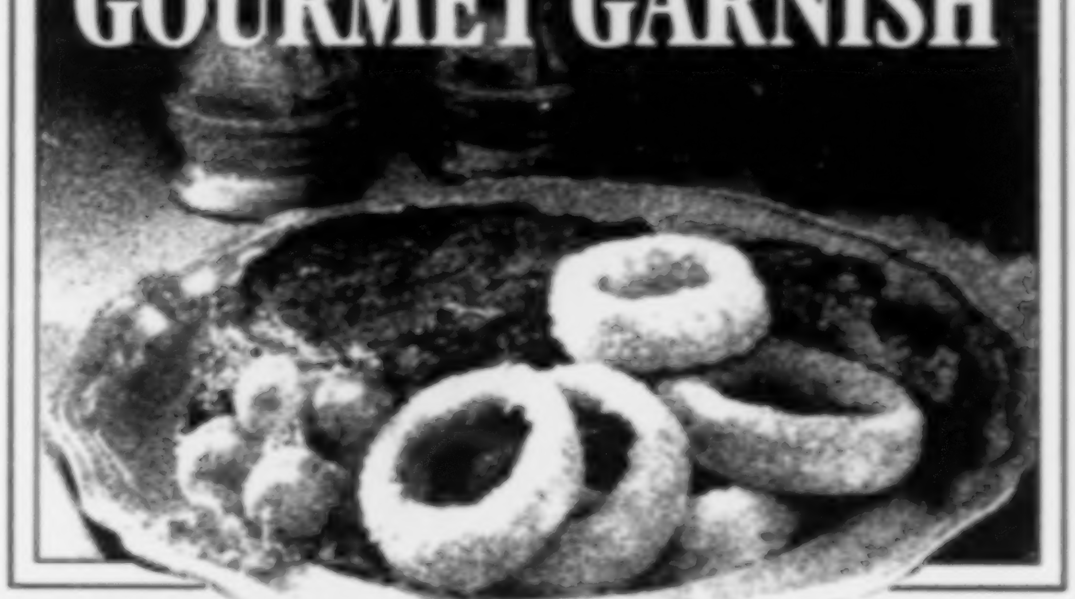

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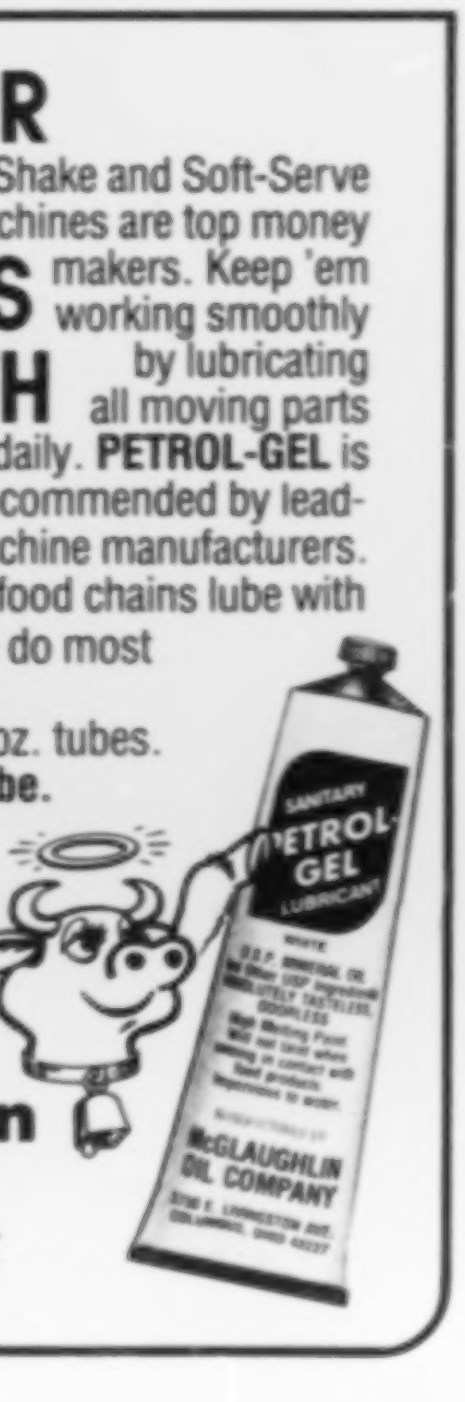

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Investors could be wary of IPOs

(Continued from page 4)

rode on the waves of trends: Chili's, Dallas-based, 40-unit casual restaurant chain specializing in burgers; D'Lites, a 38-unit fast-food chain based in Norcross, Ga., and the 110-unit frozen yogurt chain, This Must Be Yogurt, based in Little Rock, Ark.

AMONG THE more disappointing performers of 1984 were American Restaurants, a 22-unit Wendy's franchisee based in Ventura, Calif., and the 130-unit full-service Mexican-style chain, El Torito.

The best performer, in terms of a stock price gain, was a chain riding on the healthful-foods wave, This Can't Be Yogurt. It went public in May, raising $2.3 million, made a second offering in November and saw its stock price go up 79% by year-end.

Chili's raised $15 million when it went public last January and showed a 41% gain in stock price when the year ended. Although many chains have now jumped on the upscale burger bandwagon, Chili's is widely considered to be one that will survive the coming shakeout.

D'Lites, a fast-service chain in step with the national obsession with healthy, slim bodies, raised over $14 million in its September initial offering and finished the year with its stock up 35%.

Other gainers last year were: Vie de France, a 32-unit chain of cafe-bakeries, up 4.35%, and Zorba's Palace, a Greek-style fast-food concept whose first unit is to open in several weeks in Buffalo, up 50% from its 10¢-a-share offering.

THE BIGGEST percentage drop in stock value among last year's newcomers was American Restaurants, down 42.5%. It raised $3.5 million from its February offering. In addition to franchising 22 Wendy's, it operates two Chuck E. Cheese pizza parlors. Wendy's, although a very profitable chain, has found it difficult to maintain the tremendous gains it made a year ago.

The year's biggest offering was somewhat disappointing to investors. El Torito Restaurants, an Irvine, Calif., subsidiary of W. R. Grace that operates 130 full-service Mexican-style restaurants under various names, raised $39 million last January, but its stock dropped 17% in value during the year.

Other lackluster performers in 1984 were National Pizza Company, a 95-unit Pizza Hut franchisee based in Pittsburg, Kan., down 18%; Restaurant Management Services, a 29-unit franchisee of Shoney's, Lee's Famous Recipe, and Captain D's, down 4.7%; Fresher Cooker, a 15-unit, Louisville, Ky.-based reduced-calorie fast-service chain, down 28.5%; Tokyo Bowl, a 16-unit chain of fast-service Japanese-style and family restaurants, down 75%, and Ching Ching, a New York-based concept whose first unit is expected to open in February, down 25%.

A new chicken concept, El Pollo Asado, went on the market at $3 a share and finished 1984 at the same price.

ANALYST EDWARD Keeney of Burns, Pauli says investors this year "won't be enthusiastic" about companies that don't have enough units to cover their expenses. "The feeling is that they should incubate longer in the private stage, using private funding, and then come into a public offering when they have profits to show."

> *'The number of restaurant companies going public in 1984 was down significantly from 1983—to just 13 companies, from 36 the previous year.'*

Domino's Pizza is often mentioned as a worthy candidate for going public, but a spokesman for the chain says that is unlikely this year.

Norman G. Fosback, editor of *New Issues*, projects 700 initial offerings this year totaling $7 billion. "The overall market will be well and new issues will follow that," he says.

Creed: new style at Diversifoods

(Continued from page 2)

foods said he would be surprised if Creed emerged as chief executive because his style would not mesh with the corporate environment.

Meanwhile Everett Jefferson takes over as chief executive at Godfather's Pizza, the most troublesome of Diversifoods' five restaurant concepts. The transition is not so great for him because he had been serving as president and chief operating officer since last September. He replaces Charles Boppell, who was also asked by the board to resign. Boppell will stay on as a consultant for six months.

Analysts said Jefferson was not axed because he joined the chain late in the year and could not be held responsible for its misfortunes, especially the disastrous pan pizza rollout that inflated food costs.

DIVERSIFOODS MOVED Jefferson from the chief executive's position at its barbecue chain, Luther's, to Godfather's to help Boppell guide the chain in its evolution from franchise company to operating company.

Godfather's represents the most immediate and crucial challenge confronting Creed. Declining profits at the pizza chain led directly to the failure of a leveraged buyout attempt and the forced resignations of Smith and Boppell. Although Creed has demonstrated the ability to run a 55-unit, all-company-owned steakhouse chain profitably, the management of a 900-unit, highly franchised pizza chain will test his mettle.

Observers point to Creed's "track record" at Chart House and his role as an insider as keys to his promotion. One said it was a "conciliatory move" designed to improve the attitude and motivation of frustrated middle management. Trotter had brought in the outsider, Smith, to run the company, and that didn't work; now it was the insider's turn.

Creed, said to be passionate about guarding his privacy, declined to be interviewed. About 47 years old, he has been with Chart House more than 20 years, associates say, and has been its president and chief executive since 1975. He is credited with turning it around and developing it into the highly regarded chain that boasts some of the most breathtaking seaside locations in the nation.

ONE SOURCE who knows Creed said he did not think the native Californian would want to move to the Chicago area, where Diversifoods is based. Chart House has been in its new headquarters in Solana Beach, Calif., for nine months. Last year the steakhouse chain earned $9 million in pretax profits on $78 million in revenue. That accounted for about 16% of Diversifoods' revenue and about 14% of its profit.

An analyst who follows Diversifoods said of Creed, "He's a no-nonsense, no b.s. kind of manager. He's unsentimental, willing to make the tough decisions."

Creed's ascendancy, some say, is the strongest evidence of the return of the "old guard"—the men who ran Chart House before it merged with Godfather's in December 1983 to form Diversifoods. Another sign was the return to the board last month of Chart House veteran B. I. Moody, who replaced Godfather's founder Willie Theisen. The three men occupying the chief executive's office are all old Chart House hands.

One analyst said he thought Theisen might re-emerge at Diversifoods to help defuse the anger of Godfather's franchisee, some of whom appear to be in revolt.

But Jefferson is clearly in charge and seems to have solid credentials to run a nationwide pizza chain. Before Smith tapped him last year to run Luther's, Jefferson was senior vice president of operations for Pizza Hut. He is a 46-year-old Californian. Godfather's is based in Costa Mesa, Calif.

George Mallory dead at 52

Pioneered Burger King's Long Island expansion

UPPER BROOKVILLE, N.Y. — George B. Mallory, 52, who spearheaded Burger King's vast expansion into Long Island starting in the mid-1960's, died of a heart seizure early this month after a long illness.

He taught at the Cornell School of Hotel Administration after his 1954 graduation there and in the late 1950's became food-service director of Allied Stores' Jordan Marsh, a Miami-based department store chain. He also became president of the National Restaurant Association and a director of the Florida Restaurant Association.

He met Burger King cofounder James McLamore in Miami in the early 1960's, and McLamore was so impressed with Mallory that he gave Mallory the first franchise rights for BK's Long Island development.

Mallory and Clarence Schwerin formed Mallory Restaurants Inc. and opened Burger Kings all over Long Island at a time when BK was just beginning to emerge on the national scene.

Later Mallory and Schwerin became Arthur Treacher's Long Island franchisee, and when Treacher's went under a few years ago, they pioneered McMichaels, an upgraded fast-seafood concept.

"George Mallory was one of the real original entrepreneurs and innovators of this business," declared an industry source close to his operation. "He was one of the most successful franchisees with Burger King and with his Mallory Restaurants company, but more than that he helped so many young people in this business."

George Mallory

Mallory is survived by his wife, Winifred; a sister, Barbara Peterson; a son, Douglas, and three daughters, Lynne, Paula and Diana.

Hiring top chefs gets tougher

(Continued from page 1)

chef to walk in off the street are over, most say. There is simply too much at stake. Given the increasing culinary sophistication of the general public, restaurants may now rise or fall on the overall proficiency of an executive chef.

And with this responsibility have also come comparable wage demands: A good chef with four or five years of solid experience can easily ask for $30,000 and up annually. A small percentage of executive chefs—those overseeing huge food-service operations at giant casino and convention hotels—can even command six-figure salaries.

Consequently, operators and lodging executives are taking longer, harder looks at job candidates. While the traditional culinary skills and creativity are still of paramount importance, says Art Ritt, president of Ritt-Ritt & Associates, a Chicago-based placement agency, most employers are also looking for a candidate with strong management and "people skills."

VICTOR KLEINMAN, director of the hospitality division of Roth Young of New York City, also an executive search firm, agrees: "Ten years ago everyone understood if a chef chased people around with a cleaver. But more and more, employers are demonstrating a growing intolerance of the temperamental artiste."

An executive chef must maintain good morale in the kitchen, Kleinman says. "He has to be able to reduce turnover, not precipitate it."

Carlucci—who finally hired Luigi Locasto, a 27-year-old chef who had learned his craft in Rome—adds that a chef must be a good communicator. "He has to be able to teach his staff everything they need to know," he says.

Furthermore, if a restaurant has not yet opened, and the remainder of the kitchen staff is not in place, the executive chef is often required to do the actual hiring. According to Ed Schoenfeld, co-owner of Auntie Yuan and Pig Heaven, both in New York City, this is almost exclusively the case with Chinese restaurants.

"Before both restaurants opened, [co-owner] David Keh went out and hired the two executive chefs," he recalls. "Those two chefs then went out and recruited the remainder of their kitchen staffs."

PREVIOUS JOB stability is another important qualification that employers look at, says Ritt. "The old mentality—to work in a lot of places—is dying out. An employer wants to see that a candidate [for an executive chef's position] has spent at least four to five years at his last job.

"We can open doors all day long for a guy with job stability," he explains. "The guy that keeps moving everywhere—we're afraid to touch him."

Kleinman observes that if a candidate has shown a history of job movement, it is important that he or she demonstrate that it has been progressive movement up through the ranks. "Employers like to see that a candidate has been exposed to all stations of the kitchen," he says.

In many cases, he adds, formal training is an additional recommendation. "Employers—particularly at hotels—like to see that a candidate has had some exposure to systems and controls such as food cost and inventory procedures."

But despite more discriminating hiring practices, most agree that the field is wide open for chefs today. "Salaries are still going up," Ritt maintains. "In five years I think we'll see a lot more chefs earning $50,000."

Webb sells 3 hotel-casinos for $80.4M

(Continued from page 2)

is being managed by Tri-City Properties Inc., a new company owned in equal parts by Webb and New York broker Bear, Stearns & Co., with former Webb executive David Babcock holding a minority share.

Babcock, a former chairman of the May Co., resigned from the Webb board to become president and chief executive officer of Tri-City.

The sale of the three hotel-casinos completes Webb's transition from a hotel owner/operator to a casino management company. In the past the Phoenix-based company had acquired and sold a number of gaming properties, usually keeping about four in its fold.

With the disposal of its last three properties, Webb's position right now "is not to purchase any casinos," said spokesman Bill Acton. "What we're doing is looking for companies that want us to come in and manage their hotel-casinos."

However, the sales agreement with Nevada Casino Associates includes options permitting Webb to repurchase the Nevada properties.

IN ADDITION to the Claridge and the three hotel-casinos just sold, Webb operates the Fremont hotel and casino in Las Vegas.

The $53 million obtained by Webb through the sale of its Nevada properties will be used to bolster the company's bottom line, said Webb chairman, president and chief executive officer Robert K. Swanson.

Webb reported aftertax earnings of $6.9 million on revenues of $364.5 million for 1983.

For the same year its Nevada hotel-casinos incurred a $5.2 million pretax loss on revenues of $107.8 million.

"The sale means the properties will continue to be refurbished and upgraded to enhance their competitive position without Webb incurring corporate debt," Swanson said.

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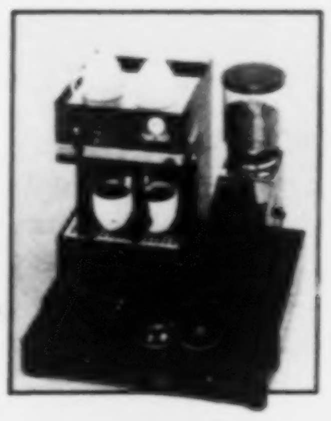

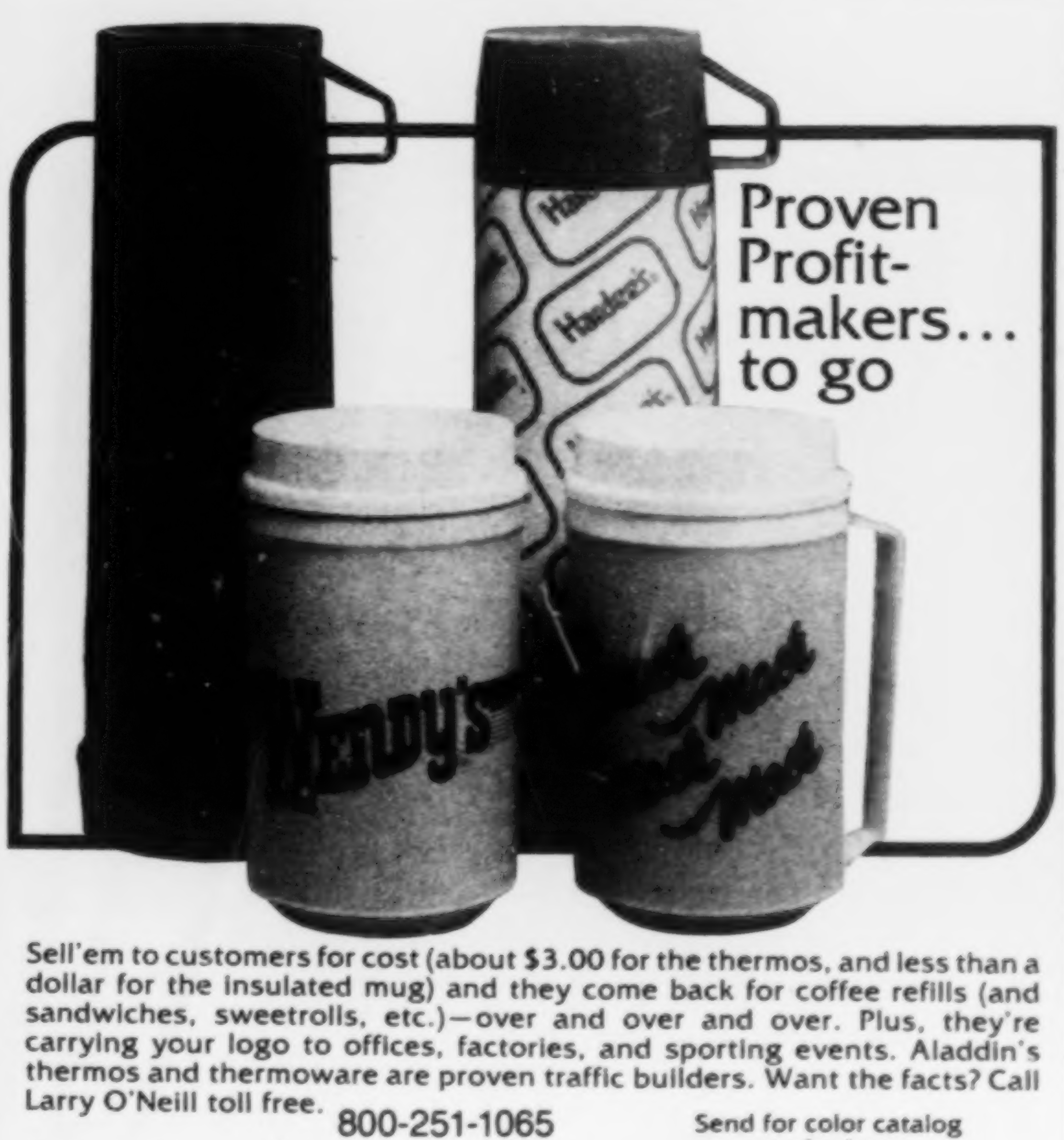

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Falling interest rates spur 4.4 pt. jump in *NRN* Index

(Continued from page 72)

ting a 52-week low of $11.

Leading the winners list, Nankin Express rose 75¢, to $1.75, on volume 107% heavier than its 12-week average.

Capt. Crab gained 75¢, to $2.38. The company acquired 6% of Skipper's stock. Skipper's gained 50¢, to $11.75, in volume 126% heavier than normal.

Garcia's of Scottsdale was up $1.06, to $3.50. Good Taco, which has shut down operations, up 13¢, to 56¢. Nathans, up 75, to $3.63.

Among some widely held issues, Church's gained 88¢, to $33.25, down from a year-long high of $33.38. McDonald's rose 63¢, to $55.25. Wendy's, up 63¢, to $17.50. Ponderosa, up 88¢, to $14.63.

Saga Corp. lost 25¢, to $30.75. Saga posted second quarter earnings per share of $1.03, vs. 95¢ a year ago.

Shoney's gained $2.75, to close at $35.13, a new year-long high.

Kelly-Johnston led the losers, down 44¢, to $1.81, on a 29% drop in trading. Brock Hotel Corp., after gaining 63¢ the week before, dropped 50¢, to $3.50. Concept Development lost 75¢, to $7.75.

Naugles, down 38¢, to $5.13, after hitting a year-long low of $4.88. Sandwich Chef, off 50¢, to $8.

Rax Restaurants slumped 50¢, to $8.50.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Sonesta Intl O	320.0	Rusty Pelican M	238.2
Prime Mtr Inn N	309.6	Holiday Inns N	213.2
Intl King Tab M	266.7	Servico Inc M	201.9
Nathans O	255.1	TGIF Texas O	196.4
Capt Crab M	250.0	Taco Viva M	189.9

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Nankin Express O	75.0	SIS Cp M	25.0
Capt Crab M	46.2	El Chico M	24.2
Garcias Scot M	43.6	Beefsteak Char A	23.5
Good Taco M	28.6	Old Fashion Fd O	18.8
Nathans O	26.1	Chilis Inc O	18.5

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kelly-Johnston M	- 19.4	Sandwich Chef M	- 5.9
Brock Hotel Cp N	- 12.5	Rax Restaurants M	- 5.6
Rusty Pelican M	- 9.6	Pillsbury Co N	- 3.5
Concept Dev O	- 8.8	USACafes M	- 3.3
Naugles Inc M	- 6.8	So Hospitality M	- 3.0

	Stock Market											Financial Update																		
	Price							Volume																						
															Latest Report			Latest Quarter						Year-to-Date						
	1-18-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																														
A&M Food Svcs O	4.38	- .13	- 2.8	4.63	4.38	.00	3.50	133	.37	.40	- 7.5	12.5	.00	.0	.....	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rests O	4.25	.00	.0	4.50	4.25	5.75	3.50	67	.27	.59	- 54.2	17.0	.00	.0	.....	fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest O	3.50	.38	12.0	3.75	3.25	6.00	2.38	115	.51	1.09	- 53.2	18.4	.00	.0	.....	9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts M	13.50	- .38	- 2.7	13.75	12.63	17.13	10.50	2,054	4.65	3.26	42.6	15.9	.12	.9	.....	fiscal	09-84	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char A	2.63	.50	23.5	2.75	2.13	4.63	1.75	740	1.31	.88	48.9	2.0	.00	.0	.....	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Bob Evans Farms M	18.00	.00	.0	18.50	17.75	22.25	14.75	421	.26	.52	- 50.0	17.5	.30	1.7	.....	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp M	2.25	.25	12.5	2.25	1.75	9.00	1.75	44	.15	.32	- 53.1	NE	.00	.0	.....	fiscal	07-84	1.1	- 31.3	(.6)	NC	(.20)	- 100.0	11.5	82.5	(1.5)	- 100.0	(.51)	- 100.0
Calny Food M	9.13	.25	2.8	9.25	8.50	10.75	7.25	1,405	3.10	2.12	46.2	14.5	.16	1.8	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab M	2.38	.75	46.2	2.50	1.63	6.13	1.38	7,202	6.30	1.80	250.0	NE	.00	.0	.....	9 mos.	05-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp N	9.38	.38	4.2	9.50	9.00	10.38	7.13	511	.66	.56	17.9	13.4	.07	.7	.....	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's M	12.63	- .38	- 2.9	13.38	12.38	23.00	10.00	35,678	13.25	4.79	176.6	18.8	.00	.0	.....	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chilis Inc O	24.88	3.88	18.5	25.00	21.88	24.88	12.75	2,494	5.55	3.01	84.4	42.2	.00	.0	.....	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch N	33.25	.88	2.7	33.38	32.13	33.38	21.25	6,881	3.66	1.89	93.7	17.3	.80	2.4	.....	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods N	17.75	1.13	6.8	17.75	16.25	17.75	9.91	1,539	1.76	1.49	18.1	13.9	.16	.9	.....	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev O	7.75	- .75	- 8.8	8.50	7.75	17.69	5.75	266	.51	1.87	- 72.7	14.9	.00a	.0	.....	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts M	5.13	.00	.0	5.13	5.00	9.25	4.75	112	.32	.40	- 20.0	14.6	.00	.0	.....	fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant M	5.88	.00	.0	5.88	5.75	14.00	4.50	720	1.60	2.57	- 37.7	97.9	.00	.0	.....	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel M	14.75	.50	3.5	15.00	14.25	23.50	11.75	307	.86	1.36	- 36.8	15.7	.14	.9	.....	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc O	3.50	.25	7.7	4.00	3.25	4.75	2.75	162	1.44	.64	125.0	18.4	.00	.0	.....	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc N	42.50	.25	.6	42.63	42.25	42.63	30.25	2,998	1.94	4.18	- 53.6	16.0	.72	1.7	.....	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods M	9.00	.00	.0	9.13	8.75	17.25	8.00	12,253	3.66	7.70	- 52.5	9.9	.34	3.8	.....	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer O	15.38	.00	.0	15.50	15.38	15.50	11.50	3,057	6.26	2.74	128.5	NM	.00	.0	.....	6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts M	25.00	1.88	8.1	25.00	23.25	26.25	18.13	1,051	2.21	1.17	88.9	13.4	.32	1.3	.....	fiscal	10-84	23.9	18.3	2.1	10.5	.43	16.2	90.3	16.5	9.1	15.2	1.87	15.4
El Chico M	9.63	1.88	24.2	9.63	7.75	13.38	7.25	497	1.07	1.18	- 9.3	12.2	.00	.0	.....	6 mos.	11-84	20.1	4.7	.9	.0	.19	- 5.0	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest N	12.25	.75	6.5	12.25	11.13	14.63	9.00	1,033	.93	.36	158.3	13.3	.00	.0	.....	9 mos.	09-84	65.9	17.3	4.1	17.1	.35	25.0	189.0	20.5	9.0	32.4	.78	44.4
Fast Food Oper O	.94	.00	.0	1.06	0.94	2.25	.69	268	.45	1.35	- 66.7	15.6	.00	.0	.....	fiscal	12-83	1.6	33.3	.1	.0	.02	.0	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes M	6.00	- .13	- 2.0	6.13	5.75	9.13	4.25	1,595	2.29	1.84	24.5	NE	.00	.0	.....	9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker O	4.00	- .13	- 3.0	4.25	4.00	6.75	4.00	44	.26	.39	- 33.3	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's A	18.00	.75	4.3	18.00	17.25	18.00	12.00	50	.11	.15	- 26.7	16.5	.22	1.2	.....	3 mos.	08-84	40.5	7.4	1.7	.0	.38	- 5.0	40.5	7.4	1.7	.0	.38	- 5.0
Fuddruckers Inc M	12.50	1.63	14.9	13.13	10.75	16.25	8.50	3,886	5.97	2.65	125.3	NM	.00	.0		9 mos.	09-84	7.2	188.0	.6	500.0	.09	350.0	16.9	125.3	.0	- 100.0	.00	- 100.0
Garcias Scot M	3.50	1.06	43.6	3.63	2.44	7.75	1.63	3,354	5.60	2.68	109.0	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco M	.56	.13	28.6	0.56	0.44	7.00	.25	574	1.94	2.63	- 26.2	NE	.00	.0	.....	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet O	13.25	.50	- 3.9	14.25	12.75	13.25	9.75	21	.29	.15	93.3	11.4	.00	.0	.....	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger M	5.38	.50	10.3	5.75	4.88	9.00	3.63	522	1.85	1.40	32.1	29.9	.00	.0	.....	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	57.3	5.5	.5	NC	.18	NC
Intl Dairy Queen O	41.50	1.00	2.5	43.00	40.50	41.50	32.50	58	.29	.14	107.1	12.0	.00	.0		9 mos.	08-84	40.8	8.2	(26.5)	- 100.0	1.61	15.8	106.5	14.3	6.7	8.1	3.03	20.2
Intl King Tab M	18.75	1.88	11.1	18.75	17.00	18.75	11.38	2,411	8.47	2.31	266.7	14.0	.00a	.0	.....	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest M	14.50	.50	3.6	14.75	14.00	15.63	10.38	586	2.57	1.32	94.7	11.9	.20	1.4	.....	fiscal	09-84	19.6	43.1	1.0	42.9	.42	35.5	68.3	28.1	2.9	31.8	1.22	22.0
Jerrico Inc M	17.00	.25	1.5	17.13	16.00	18.50	11.88	6,274	3.99	2.88	38.5	13.1	.12	.7	.....	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp A	2.63	.00	.0	2.75	2.50	5.38	1.13	133	.59	2.64	- 77.7	NE	.00	.0	.....	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl M	15.00	.75	5.3	15.25	14.00	31.00	13.50	2,667	3.78	2.42	56.2	9.3	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston M	1.81	- .44	- 19.4	2.00	1.50	13.13	.75	4,172	4.89	6.89	- 29.0	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	28.75	1.75	6.5	29.00	27.13	32.00	23.63	511	.42	.49	- 14.3	20.1	.54	1.9	.....	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp M	15.00	.88	6.2	15.00	14.13	15.25	11.38	171	.33	.24	37.5	10.3	.28	1.9	.....	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp N	77.75	3.13	4.2	77.75	74.38	80.25	58.50	2,103	.82	.63	30.2	17.2	.54	.7	.....	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest O	2.88	.00	.0	3.13	2.88	7.00	2.25	166	.33	.59	- 44.1	22.1	.00	.0	.....	9 mos.	10-84	3.0	NC	.1	NC	.03	NC	8.3	NC	.6	NC	.13	NC
McDonald's Cp N	55.25	.63	1.1	56.38	54.50	56.38	40.84	11,013	1.25	1.06	17.9	13.0	.82	1.5	.....	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc M	18.00	1.63	9.9	18.13	16.38	18.38	13.13	2,402	1.76	1.15	53.0	11.8	.48	2.7	.....	3 mos.	08-84	117.9	5.6	4.9	11.4	.36	16.1	117.9	5.6	4.9	11.4	.36	16.1
Mr Steak O	2.13	.25	13.3	2.38	1.88	3.25	1.13	754	1.57	1.10	42.7	NE	.00	.0	.....	9 mos.	06-84	17.1	2.4	(.5)	- 100.0	(.12)	- 100.0	49.8	12.2	(.5)	- 100.0	(.11)	- 100.0
Nankin Express O	1.75	.75	75.0	2.00	1.13	2.88	1.00	469	2.09	1.01	106.9	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans O	3.63	.75	26.1	3.75	2.88	3.63	1.78	846	3.80	1.07	255.1	13.9	.00a	.0	.....	3 mos.	06-84	6.1	13.0	.4	100.0	.18	63.6	6.1	13.0	.4	100.0	.18	63.6
Natl Pizza O	8.00	.25	3.2	8.50	7.75	9.75	7.50	169	.31	.26	19.2	10.5	.00	.0	.....	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc M	5.13	- .38	- 6.8	5.38	4.88	18.75	4.88	1,672	3.60	2.62	37.4	NE	.00	.0	.....	3 mos.	09-84	38.3	11.0	.4	- 66.7	.10	- 60.0	38.3	11.0	.4	- 66.7	.10	- 60.0
1 Potato 2 O	2.13	.25	13.3	2.38	1.88	12.50	1.88	152	.69	1.09	- 36.7	42.5	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

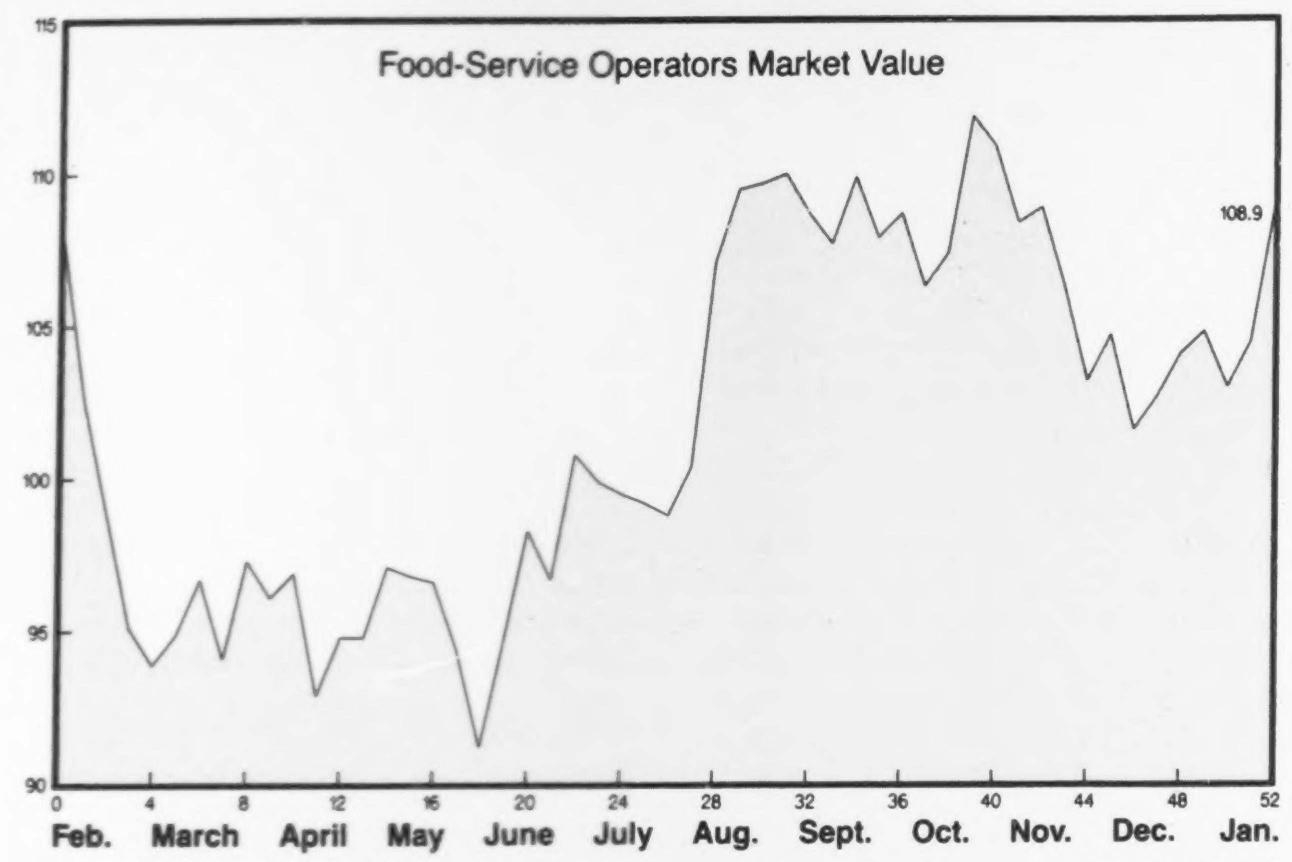
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

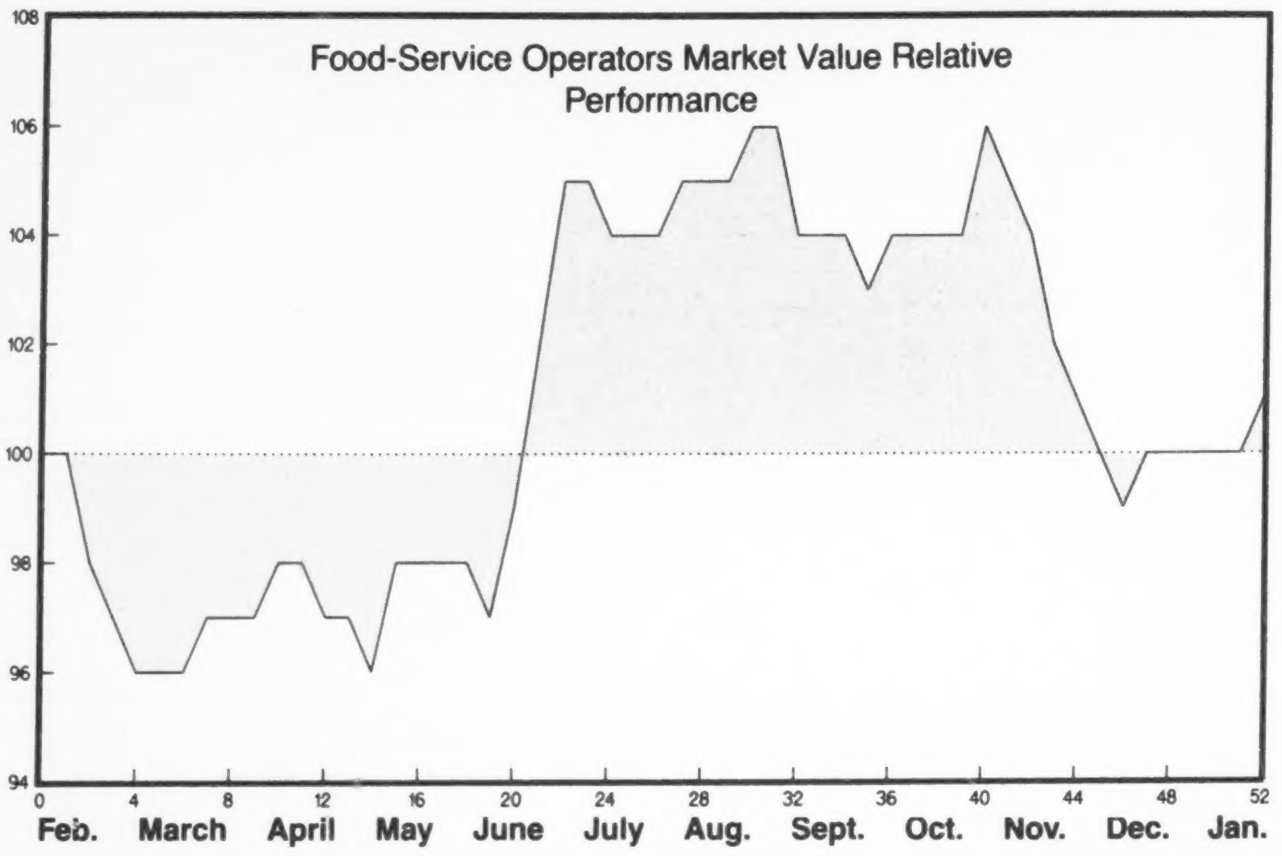
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded										Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	1-18-85 Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd .... O	4.75	.75	18.8	5.50	4.00	7.25	4.00	75	.54	.46	17.4	8.6	.00	.0	.....	3 mos.	08-84	3.3	37.5	.2	.0	.13	- 13.3	3.3	37.5	.2	.0	.13	- 13.3
Pancho Mex Buffet .... M	8.13	.38	4.8	8.25	7.63	8.13	5.88	437	1.54	.86	79.1	14.8	.13	1.6	.....	fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest .... M	.56	.00	.0	0.63	0.50	7.00	.25	1,037	1.21	7.01	- 82.7	NE	.00	.0	.....	fiscal	06-84	NC	NC	(27.6)	- 100.0	(3.30)	- 100.0	30.6	12.1	(29.6)	- 100.0	(3.54)	- 100.0
Piccadilly Caf .... M	19.63	1.38	7.5	19.63	18.25	24.25	15.00	335	.55	1.01	- 45.5	12.1	.60	3.1	.....	3 mo.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn .... A	9.25	.38	4.2	9.38	8.63	13.63	6.88	364	1.20	1.06	13.2	9.0	.08	.9	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks .... M	11.50	.88	8.2	12.00	10.75	16.63	8.75	576	1.30	.90	44.4	15.3	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys .... N	14.63	.88	6.4	14.63	13.75	24.13	11.50	4,123	4.30	3.53	21.8	8.6	.40	2.7	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc .... O	2.63	.00	.0	2.75	2.38	7.00	2.38	385	1.39	1.51	- 7.9	23.9	.00	.0	.....	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants .... M	8.50	- .50	- 5.6	9.00	8.25	18.25	8.25	825	1.30	1.31	- .8	12.5	.00	.0	.....	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc .... A	6.00	.50	9.1	6.25	5.38	9.50	5.38	878	3.14	1.32	137.9	8.5	.00	.0	.....	9 mos.	09-84	36.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys .... M	13.00	.00	.0	13.25	12.25	14.25	9.00	168	.73	.69	5.8	15.3	.00	.0	.....	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D .... M	2.00	.00	.0	2.00	1.75	9.00	1.75	827	1.59	1.37	16.1	NE	.00	.0	.....	9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican .... M	11.75	- 1.25	- 9.6	13.38	11.00	18.25	11.00	3,144	11.33	3.35	238.2	13.8	.00	.0	.....	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak .... M	20.25	.75	3.8	20.50	19.25	23.25	15.50	410	.95	1.94	- 51.0	29.3	.00	.0	.....	9 mos.	09-84	7.8	47.2	.7	40.0	.17	30.8	22.7	66.9	2.3	64.3	.53	47.2
Saga Corp .... N	30.75	- .25	- .8	32.25	30.38	35.50	24.63	3,669	2.82	1.13	149.6	12.4	.44	1.4	.....	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef .... M	8.00	- .50	- 5.9	8.50	8.00	11.75	6.75	85	.66	.85	- 22.4	13.8	.00	.0	.....	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley .... M	7.88	1.00	14.5	8.00	6.75	11.00	6.50	1,826	4.65	2.38	95.4	5.6	.00	.0	.....	9 mos.	09-84	15.7	- 14.2	3.0	900.0	.76	1420.0	48.3	- 11.9	5.3	657.1	1.35	694.1
Shoney's Inc .... M	35.13	2.75	8.5	35.13	32.38	35.13	20.00	2,103	1.01	.81	24.7	25.5	.15	.4	.....	9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.06	24.7
Shoney's South .... M	14.38	.88	6.5	14.63	13.25	16.59	11.00	254	.45	.56	- 19.6	12.2	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	23.5
SIS Cp .... M	5.00	1.00	25.0	5.00	4.00	8.75	3.25	209	1.35	.93	45.2	35.7	.00	.0	.....	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl .... M	16.75	.63	3.9	17.00	16.25	18.75	8.75	225	.33	.40	- 17.5	13.4	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers .... M	11.75	.50	4.4	12.25	11.25	12.13	8.00	801	2.94	1.30	126.2	14.3	.06	.5	.....	9 mos.	09-84	14.5	25.0	.5	25.0	.18	20.0	42.3	25.1	1.6	14.3	.60	1.7
So Hospitality .... M	4.00	- .13	- 3.0	4.13	4.00	5.00	3.75	760	1.59	1.46	8.9	11.8	.00	.0	.....	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva .... M	8.38	.13	1.5	8.75	8.00	9.25	7.00	523	2.29	.79	189.9	19.9	.00	.0	.....	3 mos.	08-84	6.6	94.1	.3	50.0	.14	16.7	6.6	94.1	.3	50.0	.14	16.7
TGI Friday's .... N	10.00	.38	3.9	10.13	9.25	14.63	7.88	1,760	1.54	1.04	48.1	16.9	.00	.0	.....	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas .... O	2.25	.00	.0	2.75	2.25	5.50	2.25	126	.83	.28	196.4	NE	.00	.0	.....	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld .... N	30.25	.38	1.3	31.88	29.75	32.75	23.63	7,493	2.66	2.92	- 8.9	4.3	.40	1.3	.....	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	NE
USACafes .... M	3.63	- .13	- 3.3	4.00	3.63	5.00	2.75	212	.42	.36	16.7	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants .... M	17.13	2.13	14.2	17.38	15.00	20.75	13.25	1,674	2.52	2.76	- 8.7	13.0	.12	.7	.....	fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations .... M	3.00	.00	.0	3.00	2.75	8.00	2.13	304	.86	5.19	- 83.4	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl .... N	17.50	.63	3.7	17.63	16.63	20.50	13.13	12,151	2.23	1.45	53.8	14.6	.28	1.6	.....	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer .... O	9.50	.50	5.6	10.50	9.00	12.00	9.00	140	1.15	.46	150.0	16.7	.20	2.1	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp .... N	6.88	.13	1.9	7.00	6.75	14.63	5.13	272	.62	2.38	- 73.9	14.0	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	3.50	- .50	- 12.5	4.00	3.38	7.38	2.63	1,199	.91	1.68	- 45.8	NE	.10	2.9	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels .... N	56.88	- .63	- 1.1	58.00	56.63	58.38	45.50	1,132	.43	.94	- 54.3	22.8	1.80	3.2	.....	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns .... N	46.50	.00	.0	46.86	46.00	50.38	35.25	27,239	7.61	2.43	213.2	13.6	.90	1.9	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn .... N	28.63	2.88	11.2	28.88	25.75	28.88	16.00	4,921	3.40	.83	309.6	23.9	.12	.4	.....	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns .... N	6.75	.50	8.0	6.88	6.25	10.38	5.13	13,265	3.57	1.83	95.1	22.5	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc .... M	15.75	.50	3.3	16.25	15.00	22.28	12.28	550	1.60	.53	201.9	11.8	.00a	.0	.....	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.55	- 9.8	90.2	24.8	2.8	47.4	.81	44.6
Sonesta Intl .... O	20.00	.50	2.6	21.50	19.50	20.00	17.50	32	.21	.05	320.0	NE	.40	2.0	.....	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	17.75	1.00	6.0	18.75	16.25	20.00	13.50	1,322	2.21	1.04	112.5	11.7	.40	2.3	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut .... N	8.13	.38	4.8	8.25	7.63	14.56	7.63	172	.37	.75	- 50.7	90.3	.48	5.9	.....	fiscal	09-84	30.5	10.1	(.9)	- 100.0	(.19)	- 100.0	117.4	5.2	.4	- 91.1	.09	- 89.7
Disney, Walt .... N	66.25	3.00	4.7	66.88	63.00	68.50	45.25	17,004	5.04	1.87	169.5	NM	1.20	1.8	NEW	fiscal	09-84	471.8	29.9	(64.0)	- 100.0	(1.78)	- 100.0	1690.1	29.3	21.7	- 76.7	.61	- 77.4
Esteban Foods .... O	1.25	.00	.0	1.38	1.13	4.00	1.13	217	.93	.89	4.5	NM	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills .... N	49.63	1.50	3.1	50.88	48.00	60.00	41.63	5,792	1.28	1.08	18.5	11.9	2.24	4.5	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Horn & Hardart .... A	10.38	.13	1.2	10.50	10.00	21.19	8.63	1,724	1.39	1.56	- 10.9	12.1	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp .... N	27.75	- .50	- 1.8	28.75	27.75	30.25	24.13	1,008	.53	.75	- 29.3	12.6	1.80b	6.5	.....	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc .... N	42.38	1.38	3.4	43.38	41.00	45.75	34.50	27,100	2.89	1.12	158.0	12.4	1.68	4.0	.....	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co .... N	41.50	- 1.50	- 3.5	42.88	41.00	45.75	33.00	4,654	1.07	.66	62.1	10.3	1.56	3.8	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France .... M	12.00	.25	2.1	12.13	11.63	15.25	10.50	1,412	1.30	.51	154.9	20.3	.23	1.9	.....	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

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NRN *marketing study: Baby boomers grow up*
—Focus/F3-4

Telberg ponders the worth of government 'statistics'
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Nation's Restaurant News®

The Weekly Newspaper of the Food-Service Industry

Vol. 19, No. 6 | Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year | February 4, 1985

Operators face price dilemma

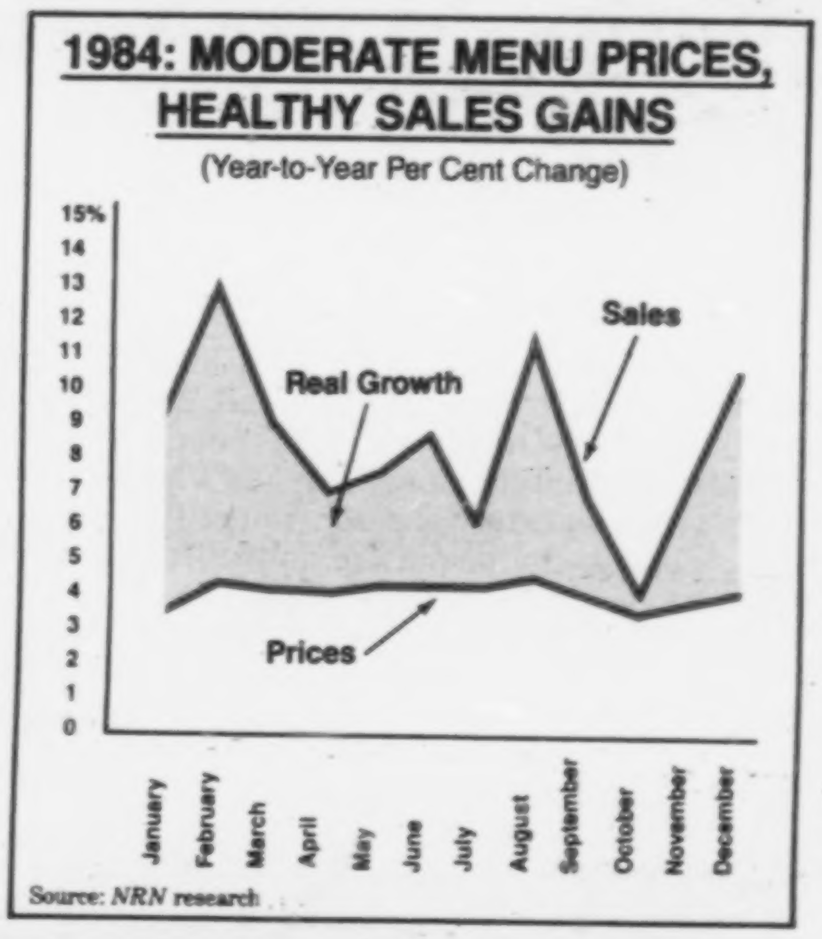
Lack of price flexibility puts pressure on profits

By Rick Telberg
Financial Editor

WASHINGTON — The Consumer Price Index for Food Away From Home, the leading barometer of restaurant menu price changes, edged up a restrained 4.2% in December from the year before, the Labor Department said.

December's increase, only slightly higher than October's and November's rates, put the inflation rate for menu prices at a moderate 4.2% for all of 1984, matching 1983's rate.

*(See **PRICES**, page 55)*



1984: MODERATE MENU PRICES, HEALTHY SALES GAINS
(Year-to-Year Per Cent Change)

Source: *NRN* research

Marriott to buy Service Systems

By Peter Romeo

BUFFALO — Marriott has signed a definitive agreement to purchase contract feeder Service Systems, an R. J. Reynolds subsidiary, for an undisclosed amount.

The purchase is Marriott's latest effort to bolster the size of its contract feeding operations. Approximately 1,500 contract clients will be added to its fold as a result of the acquisition.

Recently Marriott expanded its roster of hospital accounts by 4.6% in a single day, raising the tally to 86. Additionally, its contract feeding division is expected to benefit from the rollout of a company-run chain of retirement communities named Marriott Lifecare. Marriott is currently scouting for the first Lifecare site, according to a spokesman.

Service Systems provides food service to health-care facilities, schools and colleges, office buildings and sports

*(See **SERVICE**, page 55)*

Nuggets spur turnaround

Ministores, marketing bolster Church's bottom line

By Don Jeffrey

SAN ANTONIO — Church's Fried Chicken, in turmoil less than two years ago from declining profits and customer counts and management upheavals, has engineered a dramatic turnaround, industry sources say.

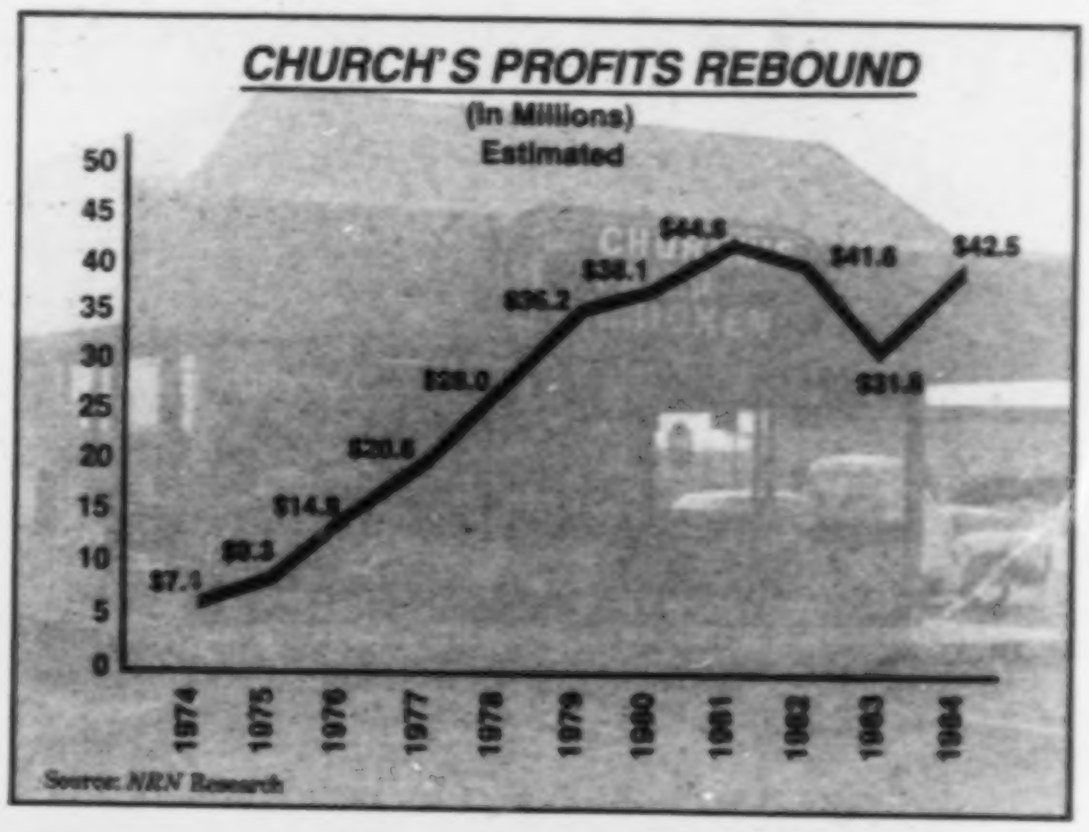
Analysts and management attribute the turnaround to the successful rollout of chicken nuggets late last year, the development of a low-investment, high-return mini-store, a cohesive management team that took more than a year to assemble, and newly aggressive stances in pricing and marketing.

Emboldened by success with Crispy Nuggets—registering 15% of total sales and resulting in an 8% incremental sales gain—Church's is now testing catfish which is accounting for 15% of total sales in six test markets in the North and South.

And, in keeping with current management's belief in the power of marketing, Church's advertising and promotion budget this year is nearly $30 million, a 67% rise over last year's $18 million, which itself was a hefty increase over 1983.

Financial results for 1984 are not yet available, but analysts are estimating net profit

*(See **CHURCH**, page 55)*



CHURCH'S PROFITS REBOUND
(In Millions)
Estimated

Source: *NRN* Research

INSIDE *NRN*

REINVENTING FOODS
Taking an old standard and making it a trend 10

A GRAIN OF SALT
Government blasts sodium study 23

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Denny's shareholders

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Nostalgia craze hits Cincinnati

By Patricia Stoll
Midwest Editor

CINCINNATI — With the country still in the throes of a nostalgia craze that has spawned such 50's-glorifying establishments as Hard Rock Cafe, Juke Box Saturday Night and Ed Debevic's, it is not surprising that Phil Adelman opened a restaurant called The Diner here.

What is surprising is its history and its cuisine. Unlike Hard Rock, Juke Box and Debevic's, The Diner was not built and/or decorated to evoke a 50's feeling—it *is* an authentic 50's diner.

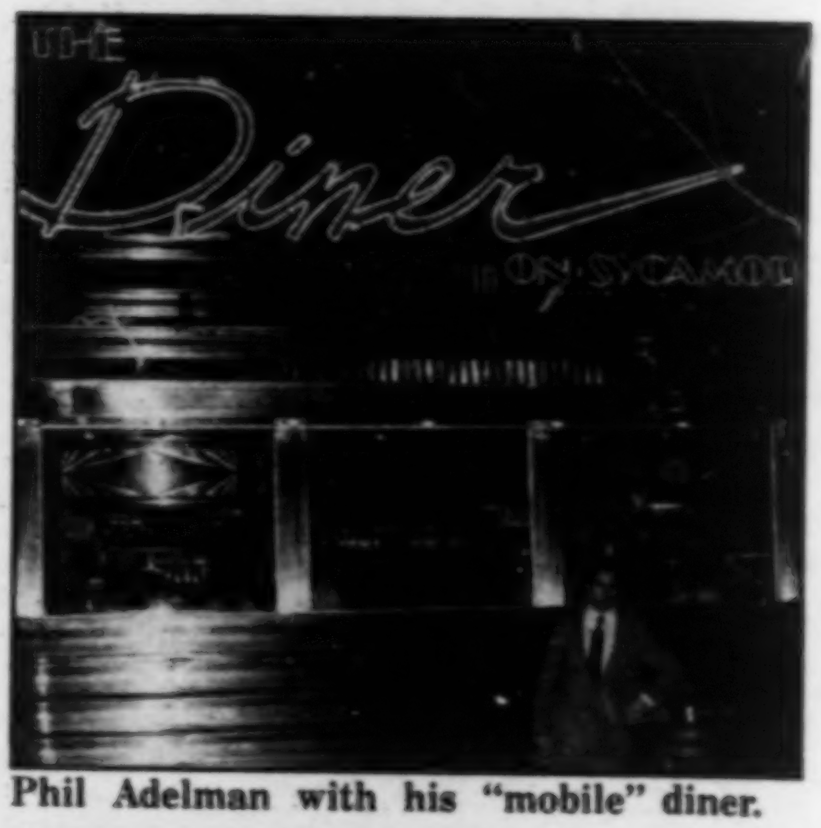
Transported 350 miles by Adelman from its original home of Massillon, Ohio, to Cincinnati nine months ago, it has been drawing crowds even though it was plunked down in a somewhat unsavory section of town. The owner expects it to generate $1 million in volume its first year.

Despite its 50's authenticity, The Diner's glorification of the era is only skin-deep.

Unlike Hard Rock Cafe, Juke Box and Debevic's—which have basic hamburger menus and play vintage rock music—The Diner offers a more extensive, ambitious culinary selection and unobtrusive background music.

While the other establishments were either

*(See **DINER**, page 55)*



Phil Adelman with his "mobile" diner.

NRN survey

How do you feel about the proposed meal deduction tax limitations? Register your views in *Nation's Restaurant News'* reader bind-in card survey, page 7.

Beard: Legacy of an all-American culinarian

By Susan Spedalle

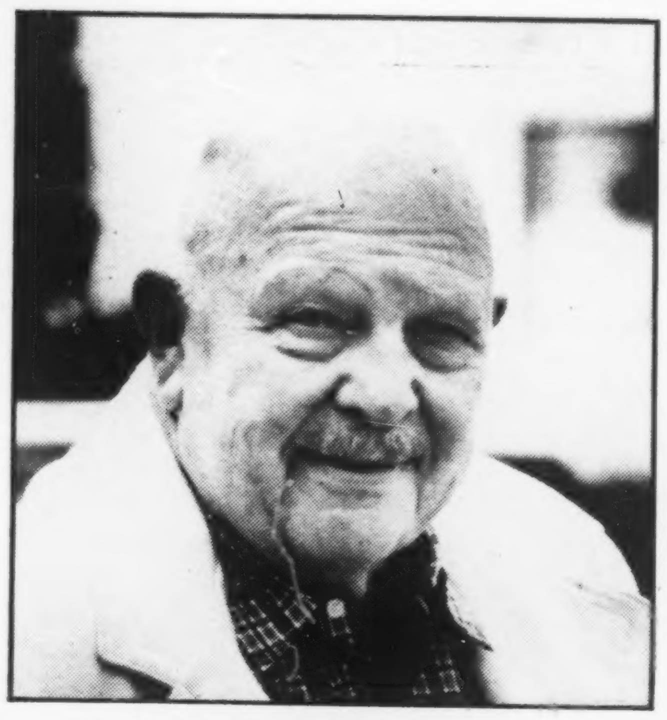
NEW YORK — James Beard, often called the dean of American cooking, had a profound impact on the food-service industry.

Beard, who died of massive heart failure at age 81, popularized American cooking during the 1950's when the restaurant industry was dominated by French chefs. He continued to promote the now-popular cuisine until his death.

In addition to a widely read syndicated newspaper column, Beard wrote 24 cookbooks, at one time operated a catering business and was a consultant to restaurant chains and food suppliers.

In the 1960's he planned menus for the New York-based Four Seasons, Charlie O's and Charlie Brown's while working at Restaurant Associates. In 1975 and 1976 he was a consultant to the Inhilco Corp. and helped to develop the menus for Windows on the World in the World Trade Center here.

"He taught me about balance between food and wine," said Paul Kovi, who with Tom Margittai owns the Four Seasons. "We worked for a long time together. He was a friend of our chef [Seppi Rengli] and was interested in the lighter cooking we were doing."



James Beard

Kovi and Margittai often sent Rengli's Spa Cuisine dishes to Beard during hospital stays.

Beard took Stuart Levin, now owner of the Top of the Park restaurant here, through the streets of Paris when Levin first joined Restaurant Associates in 1957. They visited Taillavent, the Royale market and various three-star restaurants.

"Beard knew everyone and he knew them intimately," said Levin. "People say he was the first to introduce American cuisine. He was, but more importantly, he set the standards and everyone else followed."

Beard gained his reputation by championing American cooking, now in vogue, back in the days of chafing dishes, toast points and an industry dominated by French restaurants.

"Too many people have tried to underestimate American cooks and cooking," he once said. He tried to prove the value of American ingredients.

"He turned around our way of thinking and buying," said Murray Zabar, owner of one of this city's pre-eminent food emporiums, Zabar's. "He would write about a food and hundreds of people would come into the store to ask for it."

His approach, despite his fame, was unaffected. He valued the "honesty and simplicity" of food, says Kovi. He taught cooks to learn "not by the book, but by inspiration." He disdained the word gourmet, calling it "an abomination" and acknowledged that frozen foods were a boom to those who disliked cooking.

In a business which can be unkindly competitive, Beard was treated with reverence. At the opening of the American Bounty restaurant at the Culinary Institute of America, Beard was a guest along with two dozen other chefs, restaurateurs and food writers.

He arrived from his Greenwich Village home by limosine with slippers instead of shoes on his feet. With the help of a cane Beard settled his 275-lb. frame among the guests at a long conference table. Built like a pyramid—with bow tie and large bald head—his presence silenced even that loquacious group.

If there was one criticism of Beard made by his peers it was the lucrative deals he contracted with food suppliers to endorse their products. But along with consulting fees and book royalties, they were his sole source of income.

With two dozen books, all still in print, Beard continues to influence professional chefs. He ran a cooking school in his Greenwich Village apartment where, from a tall director's chair, he taught his students.

Chefs who could not attend the school had collections of his cookbooks, including the popular 1981 release "The New James Beard" which sanctioned low-calorie and low-sodium cooking before the onslaught of health-oriented cookbooks.

Allegheny mulls combining Servomation with Macke

New company would be nation's No.2 contract feeder

By Peter Romeo

BALTIMORE — After finalizing its agreement to purchase catering giant Servomation Corp., Allegheny Beverage Corp. is considering the creation of a new contract feeding company.

"Rather than merge Servomation into Macke Co. [Allegheny's present food-service subsidiary] or Macke into Servomation, what we are seriously considering is folding the two into a new company with a new name," said Allegheny senior vice president Harry Conn.

The firm thus formed would instantly become one of the nation's largest contract feeders, second only to ARA Services in sales.

In a related development, Allegheny has signed a letter of intent to sell Allegheny Pepsi-Cola Bottling Co., a subsidiary that was once its only business, to the unit's Employee Stock Ownership Plan. Funds from the $175 million sale will be used to repay $160 million of Allegheny's senior debt. The company will then borrow the $225 million needed to purchase Servomation from City Investing Co.

The bottling company sale is scheduled to be completed by Feb. 28. Allegheny expects to close the purchase of Servomation by March 15.

The acquisition of Servomation will boost Allegheny's revenues to "well over" $1.6 million for the fiscal year ending March 31, 1986, according to a spokesman.

"Eighty per cent of our sales will come from food service, So I guess that makes us primarily a food-service company," said Conn.

After the Pepsi franchise is sold, Allegheny will reduce its debt from $250 million to $90 million, of which $63 million would be subordinate.

Analysts had noted Allegheny's significant long-term debt would hinder it from purchasing other contract feeders. Servomation was its 14th acquisition since October 1983.

Though the door to future food-service acquisitions "is not closed, the job of bringing in Servomation will keep our hands filled," said Conn.

But, he adds, "there could very well be acquisitions in our other businesses. We've taken a close look at health care services."

Observers note that such an acquisition would provide Allegheny with a new venue to bolster its contract feeding sales.

Allegheny also owns a small chain of office furniture outlets, and is involved in coin-operated laundry and commercial building janitorial services.

The clients it serves through those subsidiaries are largely potential customers for its contract feeding operations.

COMMODITIES

Consumer preference battlefront: pork vs. poultry

By Gary S. Friedman

This decade has shown some profound changes in the eating habits of the American consumer. The first change that comes to mind is, of course, the growing consumer preference for poultry over the traditional American fare of red meat. But there are more profound changes coming, even within the subcategory of pork vs. poultry.

There has been a traditional rule of thumb concerning the substitutionality of pork and chicken products. The American consumer was seen as buying the beef products first, and with the remaining of the household meat budget to be allocated between chicken and pork, predominately, based upon price preferences.

As a result, the rule was that dressed broiler prices were never 80% less than live hog prices. The evidence since 1983 has shown a much weaker link. Consumers are making that allocation based on preference more than price.

In 1982, poultry consumption, which includes both chicken and turkey, surpassed pork consumption for the first time. In that year, poultry as a category broke the barrier, with consumption levels of 63.8 lb. per person, against pork at the 59 level. From that point on, turkey and chicken have continually remained ahead of pork in consumer preference as voted by their yearly consumption.

Three years later, the U.S.D.A. is predicting that 1985 may be the year that chicken consumption, taken alone as a subgroup of poultry, may surpass the consumption of pork. Analysts are predicting 1985 will place per capita chicken consumption at 59.1 lb. and pork consumption trimmed to 58.6 lb.

Pork consumption had been falling due to the same consumer health concerns that have influenced red meat consumption in the United States. Industry agents of the pork producers have tried to counter the defection, but to little success. Drive through the Midwest and you'll see pork production sitting idle, caused by both consumer preference and the difficulty of catching the highs and lows of the pork marketing cycle.

In 1980, pork consumption reached a peak of 68.3 lb. per person, but has been falling steadily ever since. The predicted pork consumption of 58.6 lb. for 1985 is 4.6% less than in 1984, and over 14% below the 1980 high.

During this same time, frame broiler consumption has been rising at a healthy level for the broiler producers. Broiler consumption is predicted to be 55.9 lb. per capita in 1985 compared to 52.8 lb. in 1984, and a mere 47 lb. per capita during that high year for pork, 1980.

Turkey, the other component of the poultry category, has experienced slower growth. As processed turkey products enter more and more grocery baskets on a regular basis, per capita consumption has also improved. In 1984, turkey comprised 11 lb. against a projected growth of 11.5 lb. in 1985.

In conclusion, what we are seeing is that traditional relationships can no longer in all cases be counted on to set prices in the marketplace. More and more often prices today are set by consumer preference in our relative affluent time rather than being set by the traditional rule of substitutionality born in times of single income producing households and last seen in times of high inflation.

PRICE MOVEMENT AT A GLANCE

Cash prices	1/23/85	Year Ago
Beef, boxed 700-900 lb., mid-U.S. lb., f.o.b.	$0.99	$1.08
Broilers, Dressed A, N.Y. lb.	$0.5356	$0.6902
Butter, AA Chicago lb.	$1.41	$1.41
Coffee, Brazilian, N.Y. lb.	$1.42	$1.50
Eggs, Large White, Chicago doz.	$0.64	$1.14
Hogs, Iowa avg. cwt	$47.50	$50
Potatoes, rnd white, 50 lb. f.o.b. Maine	$2.05	$3.87
Sugar, cane, raw, world, lb. f.o.b.	$0.0358	$0.0682

Source: NRN Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

Broad market rally pushes *NRN* Index to record high

(Continued from page 58)

heavier than its previous 12-week average, powering the stock upward $1.38 to $6.50.

Kelly-Johnston, down 44¢, to $1.38, was one of the week's leading losers. Kelly-Johnston said it was selling its 111-unit Duff's cafeteria chain to a franchisee.

One Potato Two, continuing a recovery, rose 63¢, to $2.75.

Esteban Foods led the winners list with a 63¢ gain to $1.88.

Calibre Corp. led the losers, down a full $1, to $1.25 in trading 212% faster than normal.

Among some of the most widely held issues, McDonald's gained $2.88, to $58.13, after hitting a yearlong high of $58.50 during the week. Shoney's, up 91¢, to $27.25.

Wendy's was up $1.25, to $18.75. Ponderosa lost 38¢, to $14.25. Chi-Chi's, down 50¢, to $12.13.

Carrols Corp., up 75¢, to $10.13. Jerrico, up 75¢, to $17.75. Marriott, up $3.24, to $81. Church's, up 63¢, to $33.88.

Benihana National, a chain of Japanese steakhouses, and Max & Erma's, a pub-restaurant operator, were added to the *NRN* listings during the week. Benihana was up $1.88, to $15.38. Max & Erma's was unchanged at $2.50.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Naugles Inc ....M	320.0	Pillsbury Co ....N	257.5
Nathans ....O	313.5	1 Potato 2 ....O	250.0
Sonesta Intl ....O	283.3	JB's Rest ....M	242.9
Allegheny Bev ....M	271.9	Carrols Cp ....N	232.4
Vie de France ....M	269.0	Ryans Fam Steak ....M	215.9

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Esteban Foods ....O	50.0	JB's Rest ....M	17.2
1 Potato 2 ....O	29.4	Ryans Fam Steak ....M	14.8
Naugles Inc ....M	26.8	Benihana Natl ....M	13.9
Ritzys G D ....M	25.0	Piccadilly Caf ....M	13.4
Concept Dev ....O	22.6	Vicorp Restaurants ....M	13.1

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Calibre Cp ....M	- 44.4	Good Taco ....M	- 11.1
Kelly-Johnston ....M	- 24.1	Amer Rest ....O	- 10.7
Peoples Rest ....M	- 22.2	Capt Crab ....M	- 10.5
Kapok Cp ....A	- 14.3	Beefsteak Char ....A	- 9.5
DLites Of Amer ....O	- 11.4	Acapulco Rests ....O	- 8.8

	Stock Market											Financial Update																	
	Price							Volume																					
	1-25-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
																		Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ....O	4.88	.50	11.4	5.25	4.50	8.00	3.50	196	.55	.43	27.9	13.9	.00	.0	.....	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rests ....O	3.88	- .38	- 8.8	4.25	3.88	5.38	3.50	232	.93	.64	45.3	15.5	.00	.0	.....	fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest ....O	3.13	- .38	- 10.7	3.50	3.00	6.00	2.38	200	.88	1.12	- 21.4	16.4	.00	.0	.....	9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts ....M	13.25	- .25	- 1.9	13.25	12.75	17.13	10.50	1,060	2.40	3.11	- 22.8	15.6	.12	.9	.....	fiscal	09-84	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char ....A	2.38	- .25	- 9.5	2.63	2.38	4.63	1.75	337	.60	.90	- 33.3	1.8	.00	.0	.....	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Benihana Natl ....M	15.38	1.88	13.9	15.63	13.38	15.63	4.50	1,125	4.50	2.56	75.8	27.5	.00	.0	.....	fiscal	03-84	NC	NC	NC	NC	NC	NC	19.8	NC	1.4	NC	.56	NC
Bob Evans Farms ....M	18.38	.38	2.1	18.50	17.88	22.25	14.75	1,299	.80	.55	45.5	17.8	.30	1.6	.....	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp ....M	1.25	- 1.00	- 44.4	1.75	1.00	9.00	1.00	379	1.25	.40	212.5	NE	.00	.0	NEW	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food ....M	10.25	1.13	12.3	10.50	9.25	10.50	7.25	2,643	5.83	2.23	161.4	16.3	.16	1.6	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab ....M	2.13	- .25	- 10.5	2.25	2.00	6.13	1.38	2,155	1.89	1.88	.5	NE	.00	.0	.....	9 mos.	05-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp ....N	10.13	.75	8.0	10.13	9.38	10.38	7.13	1,908	2.46	.74	232.4	14.5	.07	.7	.....	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's ....M	12.13	- .50	- 4.0	13.00	12.13	19.88	10.00	11,212	4.17	4.96	- 15.9	18.1	.00	.0	.....	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chilis Inc ....M	24.25	- .63	- 2.5	25.13	24.13	25.13	12.75	2,670	5.94	3.11	91.0	41.1	.00	.0	.....	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21	75.0
Churchs Fr Ch ....N	33.88	.63	1.9	34.63	33.25	34.63	21.25	5,626	2.99	1.89	58.2	17.6	.80	2.4	.....	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods ....N	19.13	1.38	7.7	19.38	17.50	19.38	9.91	1,909	2.19	1.54	42.2	14.9	.16	.8	.....	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev ....O	9.50	1.75	22.6	10.00	7.75	17.69	5.75	2,301	4.45	2.03	119.2	18.3	.00a	.0	.....	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts ....M	5.00	- .13	- 2.4	5.25	5.00	9.25	4.75	64	.18	.40	[illegible]	14.3	.00	.0	.....	fiscal	09-84	17.3	14.6	.6	20.0	.16	45.5	68.7	8.4	1.3	.0	.35	20.7
Consul Restaurant ....M	5.50	- .38	- 6.4	5.88	5.38	13.88	4.50	784	1.74	2.55	- 31.8	91.7	.00	.0	.....	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel ....M	15.50	.75	5.1	16.00	14.75	23.50	11.75	414	1.16	1.27	- 8.7	16.5	.14	.9	.....	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc ....O	3.75	.25	7.1	4.50	3.50	4.75	2.75	115	1.02	.72	41.7	19.7	.00	.0	.....	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Denny's Inc ....N	42.75	.25	.6	42.75	42.25	42.75	30.25	2,931	1.89	4.02	- 53.0	16.1	.72	1.7	.....	3 mos.	09-84	326.4	1.9	12.1	- 12.3	.75	- 11.8	326.4	1.9	12.1	- 12.3	.75	- 11.8
Diversifoods ....M	9.38	.38	4.2	9.63	9.00	15.75	8.00	14,297	4.27	7.74	- 44.8	10.3	.34	3.6	.....	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer ....O	13.63	- 1.75	- 11.4	15.38	13.63	15.50	11.50	1,993	4.08	2.91	40.2	NM	.00	.0	.....	6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts ....M	24.88	- .13	- .5	25.63	24.88	26.25	18.13	1,091	2.30	1.30	76.9	13.3	.32	1.3	.....	fiscal	10-84	23.9	18.3	2.1	10.5	.43	16.2	90.3	16.5	9.1	15.2	1.87	15.4
El Chico ....M	9.38	- .25	- 2.6	9.75	9.38	12.75	7.25	540	1.16	1.19	- 2.5	11.9	.00	.0	.....	6 mos.	11-84	20.1	4.7	.9	.0	.19	- 5.0	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest ....N	12.88	.63	5.1	13.25	12.25	14.63	9.00	714	.64	.40	60.0	14.0	.00	.0	.....	9 mos.	09-84	65.9	17.3	4.1	17.1	.35	25.0	189.0	20.5	9.0	32.4	.78	44.4
Fast Food Oper ....O	.88	- .06	- 6.7	0.94	0.88	1.88	.69	632	1.07	1.33	- 19.5	14.6	.00	.0	.....	fiscal	12-83	1.6	33.3	.1	.0	.02	.0	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes ....M	6.00	.00	.0	6.38	5.88	9.13	4.25	1,126	1.61	1.73	- 6.9	NE	.00	.0	.....	9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker ....O	3.88	- .13	- 3.1	4.13	3.88	6.75	3.88	18	.11	.39	- 71.8	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's ....A	19.00	1.00	5.6	19.00	18.00	19.00	12.00	153	.35	.18	94.4	17.4	.22	1.2	.....	3 mos.	08-84	40.5	7.4	1.7	.0	.38	- 5.0	40.5	7.4	1.7	.0	.38	- 5.0
Fuddruckers Inc ....M	12.63	.13	1.0	13.00	12.13	16.25	8.50	3,015	4.63	2.83	63.6	NM	.00	.0	.....	9 mos.	09-84	7.2	188.0	.6	500.0	.09	350.0	16.9	125.3	.0	- 100.0	.00	- 100.0
Garcias Scot ....M	3.25	- .25	- 7.1	3.38	3.13	7.25	1.63	1,740	2.90	2.86	1.4	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ....M	.50	- .06	- 11.1	0.50	0.44	7.00	.25	564	1.90	2.61	- 27.2	NE	.00	.0	.....	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet ....O	13.75	.50	3.8	14.75	13.25	13.75	9.75	34	.47	.17	176.5	11.9	.00	.0	.....	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger ....M	5.88	.50	9.3	6.00	5.50	8.50	3.63	455	1.61	1.43	12.6	32.6	.00	.0	.....	fiscal	08-84	14.9	- 11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18	NC
Intl Dairy Queen ....O	42.50	1.00	2.4	44.50	42.00	42.50	32.50	35	.17	.15	13.3	12.3	.00	.0	NEW	9 mos.	08-84	40.8	8.2	(26.5)	- 100.0	1.61	15.8	106.5	14.3	6.7	8.1	3.03	20.2
Intl King Tab ....M	19.50	.75	4.0	19.75	18.25	19.75	11.38	1,055	3.71	2.47	50.2	14.6	.00a	.0	.....	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36	24.1
JB's Rest ....M	17.00	2.50	17.2	17.25	14.50	17.00	10.38	1,314	5.76	1.68	242.9	13.9	.20	1.2	.....	fiscal	09-84	19.6	43.1	1.0	42.9	.42	35.5	68.3	28.1	2.9	31.8	1.22	22.0
Jerrico Inc ....M	17.75	.75	4.4	17.88	16.88	18.50	11.88	11,299	7.19	3.23	122.6	13.7	.12	.7	.....	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39	5.4
Kapok Cp ....A	2.25	- .38	- 14.3	2.63	2.25	5.38	1.13	190	.85	2.31	- 63.2	NE	.00	.0	.....	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl ....M	16.25	1.25	8.3	16.25	14.88	29.63	13.50	3,957	5.61	2.23	151.6	10.0	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston ....M	1.38	- .44	- 24.1	1.63	1.19	12.63	.75	3,875	4.54	7.07	- 35.8	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ....N	29.75	1.00	3.5	30.00	29.00	32.00	23.63	1,130	.93	.55	69.1	20.8	.54	1.8	.....	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43	24.3
Marcus Corp ....M	15.13	.13	.8	15.38	14.88	15.38	11.38	226	.44	.27	63.0	10.4	.28	1.9	.....	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55	1.9
Marriott Corp ....N	81.00	3.25	4.2	81.25	77.50	81.25	58.50	1,921	.75	.63	19.0	17.9	.54	.7	.....	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest ....O	3.00	.13	4.3	3.13	2.88	6.50	2.25	323	.95	.63	3.2	17.6	.00	.0	NEW	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's ....O	2.50	.00	.0	3.00	2.50	6.88	2.50	31	.18	.70	- 74.3	NE	.00	.0		fiscal	10-83	NC	NC	NC	NC	NC	NC	15.9	28.2	(.3)	- 100.0	(.26)	- 100.0
McDonald's Cp ....N	58.13	2.88	5.2	58.50	55.00	58.50	40.84	11,869	1.35	1.05	28.6	13.6	.82	1.4	.....	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36	14.7
Morrison Inc ....M	17.75	- .25	- 1.4	18.13	17.50	18.38	13.13	2,837	2.07	1.24	66.9	11.4	.48	2.7	NEW	6 mos.	11-84	120.2	7.1	5.3	6.0	.39	8.3	238.1	6.4	10.2	8.5	.75	11.9
Mr Steak ....O	2.38	.25	11.8	2.63	2.25	3.25	1.13	914	1.91	1.15	66.1	NE	.00	.0		9 mos.	06-84	17.1	8.2	(.5)	NE	(.12)	NE	49.8	5.1	(.5)	NE	(.11)	NE
Nankin Express ....O	1.63	- .13	- 7.1	1.88	1.63	2.88	1.00	532	2.37	1.16	104.3	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans ....O	3.88	.25	6.9	4.50	3.50	4.50	1.78	1,503	6.74	1.63	313.5	13.4	.00a	.0	NEW	6 mos.	09-84	6.1	1.7	.4	.0	.18	20.0	12.2	7.0	.8	33.3	.36	38.5
Nall Pizza ....O	8.00	.00	.0	8.50	8.00	9.75	7.50	46	.08	.25	- 68.0	10.5	.00	.0	.....	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc ....M	6.50	1.38	26.8	6.50	5.00	17.00	4.88	6,535	14.07	3.35	320.0	NE	.00	.0	.....	3 mos.	09-84	38.3	11.0	.4	- 66.7	.10	- 60.0	38.3	11.0	.4	- 66.7	.10	- 60.0

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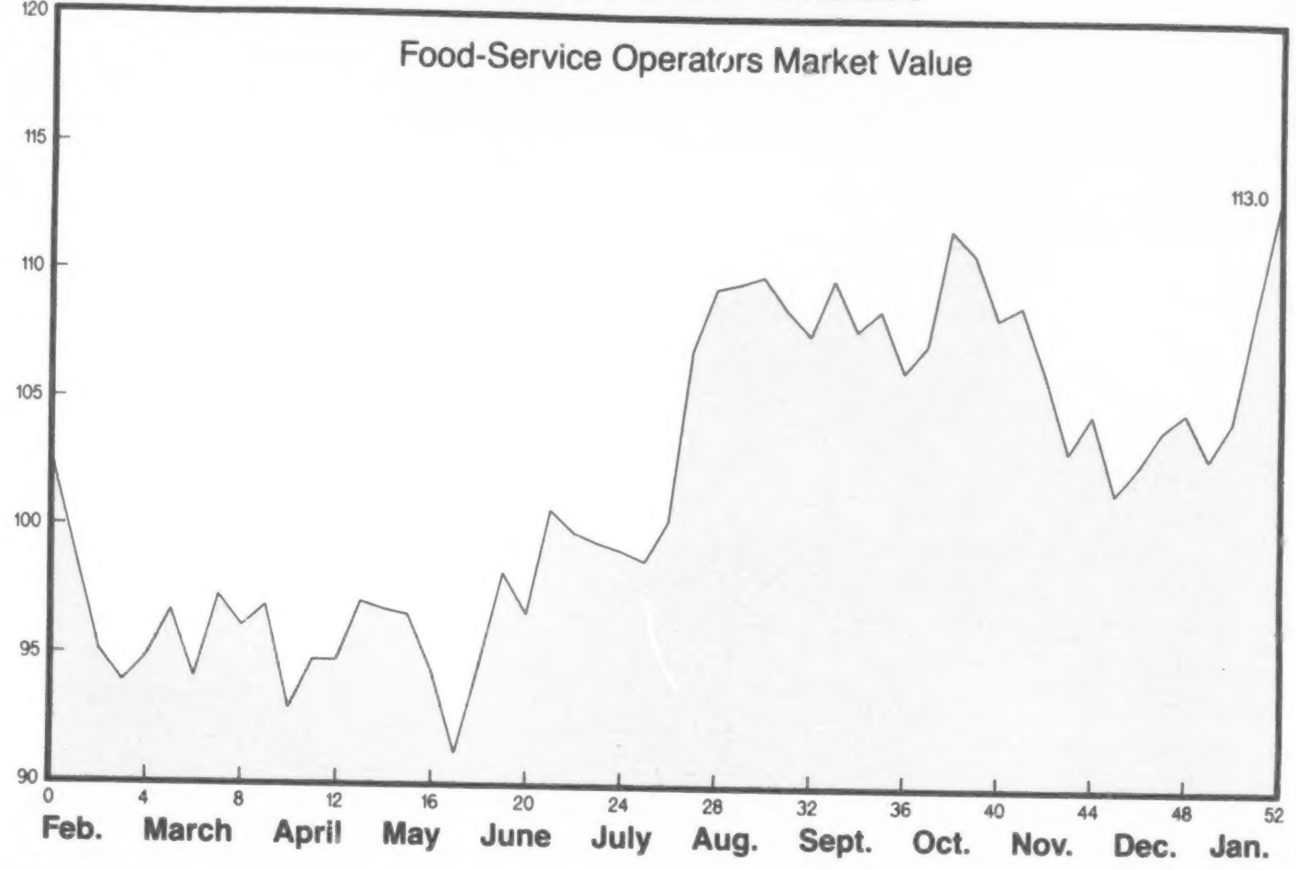
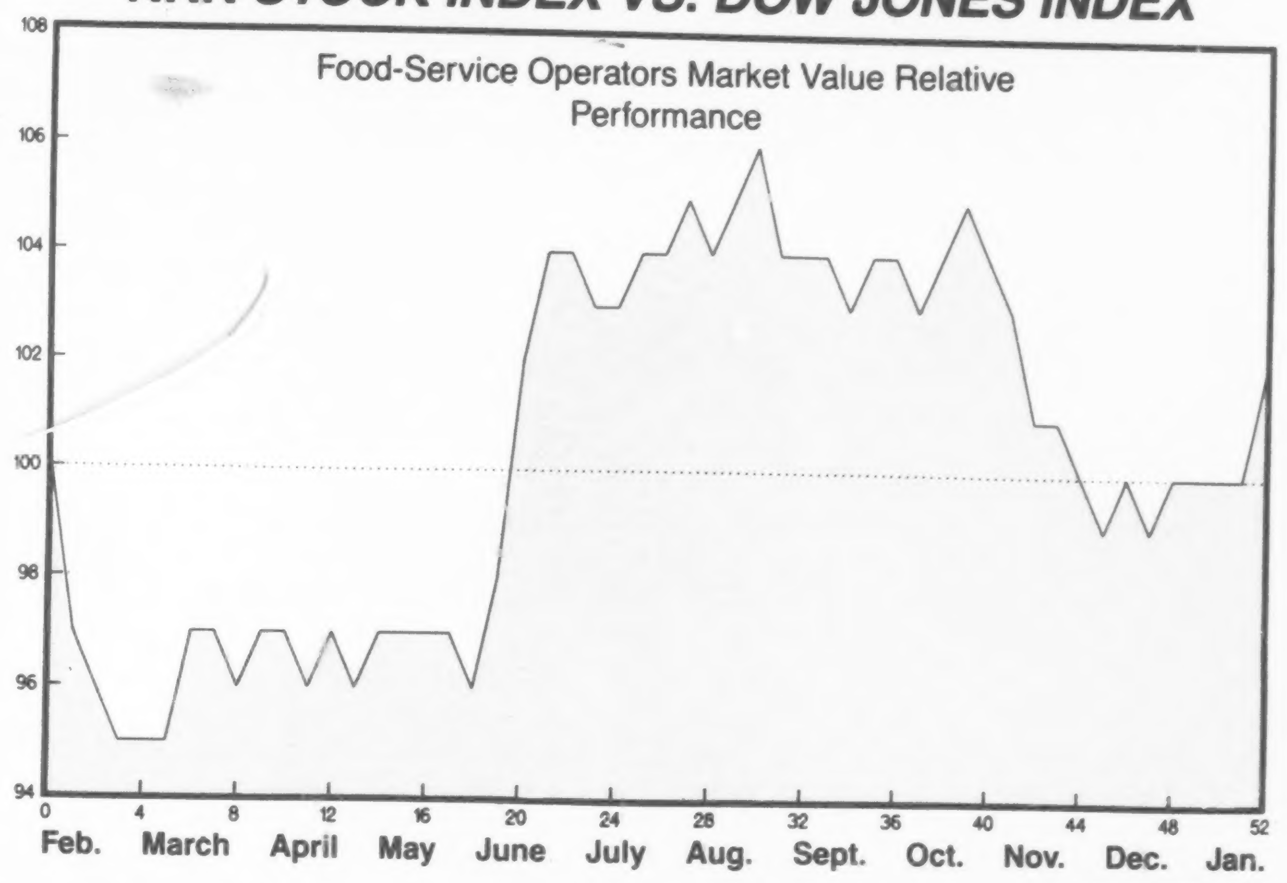
Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

NRN *STOCK INDEX*



NRN *STOCK INDEX VS. DOW JONES INDEX*



Oct. 28, 1983 = 100

Company and Market	Stock Market: Price: 1-25-85 Close	Price: Weekly Change Amt.	Price: Weekly Change Pct.	Price: Weekly Range High	Price: Weekly Range Low	Price: 52-Week Range High	Price: 52-Week Range Low	Volume: Weekly Shares Traded Total	Volume: Weekly Shares Traded % Out	Volume: 12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Financial Update: Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue Amt.	Latest Quarter: Revenue Chg.	Latest Quarter: Net Income Amt.	Latest Quarter: Net Income Chg.	Latest Quarter: E.P.S. Amt.	Latest Quarter: E.P.S. Chg.	Year-to-Date: Revenue Amt.	Year-to-Date: Revenue Chg.	Year-to-Date: Net Income Amt.	Year-to-Date: Net Income Chg.	Year-to-Date: E.P.S. Amt.	Year-to-Date: E.P.S. Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
1 Potato 2 .... O	2.75	.63	29.4	3.00	2.13	12.50	1.88	1,136	5.18	1.48	250.0	55.0	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC
Old Fashion Fd .... O	4.75	.00	.0	5.50	4.75	7.25	4.00	40	.29	.44	- 34.1	9.3	.00	.0	NEW	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet .... M	7.75	- .38	- 4.6	8.25	7.75	8.25	5.88	459	1.62	.96	68.8	14.1	.13	1.7	.....	fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest .... M	.44	- .13	- 22.2	0.56	0.44	6.25	.25	1,228	1.43	4.77	- 70.0	NE	.00	.0	.....	fiscal	06-84	NC	NC	(27.6)	- 100.0	(3.30)	- 100.0	30.6	12.1	(29.6)	- 100.0	(3.54)	- 100.0
Piccadilly Caf .... M	22.25	2.63	13.4	22.25	19.38	24.25	15.00	1,421	2.35	1.05	123.8	13.7	.60	2.7	.....	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7
Pizza Inn .... A	9.50	.25	2.7	9.75	9.25	12.75	6.88	346	1.14	1.13	.9	9.2	.08	.8	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks .... M	11.75	.25	2.2	12.00	11.13	16.63	8.75	270	.61	.87	- 29.9	15.7	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys .... N	14.25	- .38	- 2.6	15.38	14.25	23.38	11.50	3,076	3.21	3.67	- 12.5	8.3	.40	2.8	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc .... O	2.88	.25	9.5	3.13	2.63	7.00	2.38	913	3.30	1.68	96.4	26.1	.00	.0	.....	6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC
Rax Restaurants .... M	8.25	- .25	- 2.9	8.75	8.00	18.00	8.25	1,701	2.69	1.46	84.2	12.1	.00	.0	.....	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc .... A	6.00	.00	.0	6.13	5.75	8.88	5.38	553	1.98	1.47	34.7	8.5	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys .... M	13.00	.00	.0	13.50	12.75	14.25	9.00	231	1.00	.75	33.3	15.3	.00	.0	.....	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D .... M	2.50	.50	25.0	2.50	1.75	9.00	1.75	843	1.63	1.42	14.8	NE	.00	.0	.....	9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican .... M	12.75	1.00	8.5	12.75	11.63	18.25	11.00	750	2.70	3.08	- 12.3	15.0	.00	.0	.....	fiscal	07-84	11.9	101.7	.7	600.0	.32	220.0	36.5	35.7	1.8	100.0	.85	60.4
Ryans Fam Steak .... M	23.25	3.00	14.8	23.75	20.25	23.75	15.50	3,248	7.55	2.39	215.9	33.7	.00	.0	.....	9 mos.	09-84	7.8	47.2	.7	40.0	.17	30.8	22.7	66.9	2.3	64.3	.53	47.2
Saga Corp .... N	32.00	1.25	4.1	32.38	29.63	35.50	24.63	2,611	2.01	1.23	63.4	13.0	.44	1.4	.....	3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0
Sandwich Chef .... M	8.25	.25	3.1	8.38	8.00	11.75	6.75	126	.98	.80	22.5	14.2	.00	.0	.....	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley .... M	7.75	- .13	- 1.6	7.88	7.50	11.00	6.50	3,336	8.49	3.02	181.1	5.5	.00	.0	.....	9 mos.	09-84	15.7	- 14.2	3.0	900.0	.76	1420.0	48.3	- 11.9	5.3	657.1	1.35	694.1
Shoney's Inc .... M	27.25	.91	3.4	27.75	26.16	27.75	15.00	2,849	1.03	.74	39.2	26.2	.15	.6	.....	9 mos.	07-84	117.8	24.9	8.2	26.2	.30	30.4	360.0	22.4	21.9	28.1	.80	25.0
Shoney's South .... M	14.88	.50	3.5	15.13	14.38	16.59	11.00	403	.72	.54	33.3	12.6	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	23.5
SIS Cp .... M	5.25	.25	5.0	5.25	4.75	8.75	3.25	154	.99	.99	.0	37.5	.00	.0	.....	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl .... M	17.75	1.00	6.0	18.00	16.75	18.75	8.75	1,042	1.53	.51	200.0	14.2	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers .... M	11.75	.00	.0	12.00	11.63	12.13	8.00	383	1.41	1.26	11.9	14.3	.06	.5	.....	9 mos.	09-84	14.5	25.0	.5	25.0	.18	20.0	42.3	25.1	1.6	14.3	.60	1.7
So Hospitality .... M	4.38	.38	9.4	4.38	4.00	5.00	3.75	2,180	4.55	1.53	197.4	12.9	.00	.0	.....	3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	14.3
Taco Viva .... M	9.00	.63	7.5	9.00	8.25	9.00	7.00	229	1.00	.81	23.5	19.6	.00	.0	NEW	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's .... N	11.25	1.25	12.5	11.25	10.13	13.75	7.88	2,016	1.76	1.13	55.8	19.1	.00	.0	.....	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas .... O	2.25	.00	.0	2.75	2.25	5.50	2.25	11	.07	.28	- 75.0	NE	.00	.0	.....	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld .... N	32.50	2.25	7.4	32.88	30.13	32.88	23.63	8,172	2.90	2.79	3.9	4.6	.40	1.2	.....	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	NE
USACafes .... M	3.75	.13	3.4	3.75	3.50	5.00	2.75	249	.49	.39	25.6	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants .... M	19.38	2.25	13.1	19.38	17.38	20.75	13.25	1,574	2.37	2.87	- 17.4	14.7	.12	.6	.....	fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations .... M	3.00	.00	.0	3.00	2.75	8.00	2.13	737	2.08	4.90	- 57.6	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl .... N	18.75	1.25	7.1	19.00	17.50	20.50	13.13	18,362	3.37	1.60	110.6	15.6	.28	1.5	.....	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer .... O	10.00	.50	5.3	11.00	9.50	12.00	9.00	48	.40	.48	- 16.7	17.5	.20	2.0	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp .... N	6.75	- .13	- 1.8	7.25	6.75	13.88	5.13	560	1.28	2.40	- 46.7	13.8	.00	.0	.....	9 mos.	09-84	27.3	14.2	2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	3.38	- .13	- 3.6	3.63	3.38	7.13	2.63	843	.64	1.59	- 59.7	NE	.10	3.0	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels .... N	57.63	.75	1.3	58.63	56.75	58.63	45.50	2,608	1.00	.92	8.7	23.1	1.80	3.1	.....	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns .... N	47.75	1.25	2.7	47.75	46.38	48.63	35.25	33,460	9.35	3.08	203.6	14.0	.90	1.9	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn .... N	29.38	.75	2.6	29.75	27.63	29.75	16.00	2,588	1.79	.93	92.5	24.5	.12	.4	.....	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns .... N	6.75	.00	.0	6.88	6.63	9.88	5.13	10,847	2.92	1.91	52.9	22.5	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc .... M	17.38	1.63	10.3	17.38	16.25	22.28	12.28	232	.68	.59	15.3	13.1	.00a	.0	.....	6 mos.	06-84	47.3	21.3	1.9	- 9.5	.55	- 9.8	90.2	24.8	2.8	47.4	.81	44.6
Sonesta Intl .... O	21.00	1.00	5.0	22.50	20.00	21.00	17.50	35	.23	.06	283.3	NE	.40	1.9	.....	6 mos.	06-84	24.0	12.1	2.1	- 4.5	1.38	.7	39.5	9.1	.0	- 100.0	(.03)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	19.00	1.25	7.0	19.00	17.63	20.00	13.50	2,855	4.76	1.28	271.9	12.5	.40	2.1	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut .... N	9.13	1.00	12.3	9.25	8.00	14.56	7.63	931	2.02	.85	137.6	NE	.48	5.3	NEW	3 mos.	10-84	26.5	- 10.2	.1	- 87.5	.03	- 81.3	26.5	- 10.2	.1	- 87.5	.03	- 81.3
Disney, Walt .... N	69.50	3.25	4.9	71.50	66.00	71.50	45.25	19,335	5.73	2.24	155.8	57.0	1.20	1.7	NEW	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods .... O	1.88	.63	50.0	2.13	1.25	4.00	1.13	422	1.80	.91	97.8	NM	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills .... N	48.38	- 1.25	- 2.5	49.63	47.75	60.00	41.63	8,054	1.78	1.15	54.8	11.6	2.24	4.6	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R .... N	42.75	1.38	3.3	42.88	41.25	44.63	36.50	4,257	.88	.84	4.8	10.7	2.80	6.5	.....	9 mos.	09-84	1658.3	10.1	33.1	17.8	.68	19.3	4897.0	9.7	136.5	34.2	2.80	35.3
Horn & Hardart .... A	11.63	1.25	12.0	11.88	10.00	21.19	8.63	4,579	3.70	1.74	112.6	13.5	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp .... N	28.75	1.00	3.6	28.88	27.88	30.25	24.13	4,082	2.15	.87	147.1	13.1	1.80b	6.3	.....	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc .... N	43.75	1.38	3.2	44.13	42.00	45.75	34.50	19,346	2.06	1.22	68.9	12.8	1.68	3.8	.....	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co .... N	39.50	- 2.00	- 4.8	41.75	38.75	45.75	33.00	13,465	3.11	.87	257.5	9.9	1.56	3.9	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France .... M	12.38	.38	3.1	12.38	11.63	15.25	10.50	2,835	2.62	.71	269.0	21.0	.23	1.9	.....	3 mos.	09-84	14.2	19.3	1.4	16.7	.13	8.3	14.2	19.3	1.4	16.7	.13	8.3

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SPOTLIGHT ON FINANCE

Critics doubt government food-service sales figures

By Rick Telberg
Financial Editor

Every month, by mail and in person, the U.S. Census Bureau canvasses 15,000 businesses to track the fluctuations of the nation's retail trade, including food-service sales.

The Census is only one of a number of Federal agencies, including the departments of Labor and Agriculture, which every day spew out reams of numbers gauging the nation's output of goods and services, and the workings of a thousand marketplaces.

Last month, for example, the Census Bureau, a part of the Commerce Department, released its earliest barometer of December retail sales. Food-service sales were up 10.8% for the month from a year before, or 11.5% after seasonal adjustments, and 1.2% month-to-month, seasonally adjusted, from November to December.

But many economists and analysts have learned to take Government economic data with a hefty heaping of salt. They complain that the statistics are often poorly tabulated, late and incomplete. That's not because Government technicians are twisting the data for partisan political reasons, but simply because they are not given the budgets to do a better job.

"We don't have in this country today a really adequate statistical program," said Malcolm Knapp, president of a New York food-service industry research firm bearing his name.

"It's dangerous," agreed Martin Lefkowitz, director of economic trends and statistics at the U.S. Chamber of Commerce in Washington, "because the Government and business can make the wrong policy decisions based on the wrong numbers."

While defending the job they do, Government statisticians agree they are underfunded, but also add the critics fail to understand the enormity of their assignment.

Restaurant industry analysts most often criticize the Census Bureau's broadest measure of industry sales—the eating and drinking place category, which tallies restaurants and bars.

"The reason people follow eating and drinking combined is that those are the earliest figures available," Knapp said. "But the error on drinking places has been off by as much as 20% over the last five years."

The discrepancy arose, Knapp said, because the Census Bureau failed to accurately count the number of small, mom-and-pop-owned taverns who have no payrolls. The Census bases most of its monthly surveys on establishments with payrolls and then adjusts with door-to-door canvassing.

Other analysts are unsure of the seasonal adjustment factors the bureau uses to take into account trading-day and holiday differences. "I don't trust those numbers," said Joseph Doyle, a restaurant industry analyst at Smith Barney in New York.

But economic statisticians, concerned about month-to-month changes where business relies on year-to-year trends, say seasonal adjustments are necessary to compensate for periods with different spending patterns.

For instance, December 1984 had five Saturdays and November had four, plus the Thanksgiving and Christmas holidays as complicating factors. To ignore the differences, statisticians say, would be foolish.

And sometimes, analysts and economists are completely befuddled by Census figures which run counter to their own experience.

According to the Census Bureau, for example, August 1984 was one of the best months of the year for the restaurant industry. But with the Los Angeles Olympic and Presidential debates, major restaurant chains were reporting dismal traffic fall-offs and blaming television for keeping diners at home.

But Jay Fairfield at Piper Jaffray & Hopwood in Minneapolis said, "I would not disbelieve the August numbers. It could mean that total industry sales were increasing, but less of it was going to chains, confirming our impression that competition in the industry is increasing."

Whether fighting the numbers or attempting to work with them, the users of Government data tend to agree the data are too little and too late.

"It's ironic," said Knapp, "that a pro-business GOP Administration is doing little to increase business intelligence."

* * *

STOCK-PICKERS' PICKS: Roger Lipton at Ladenburg Thalmann in New York, seeking plays on small stocks, has come up with a recommendation on one of the smallest—Twistee Treat (recent price: $2).

Twistee Treat manufactures prefabricated ice cream stores in the shape of giant ice cream cones that sit on parking lot pads. Each store costs less than $125,000 to open, but typically grosses $275,000 a year, Lipton says.

With about a dozen stores open now and commitments from franchisees to build a 100-unit chain within a year, Lipton figures Twistee Treat's earnings could leap from 13¢ per share this year to 40¢ next year.

Soft sales depress Po Folks 1st quarter net profit

NASHVILLE — An 8% to 10% drop in sales since July has undercut Po Folks Inc.'s year-to-year net profit by 20% for the first quarter, ended Dec. 30, to $642,000.

Revenue for the quarter, ended Dec. 30, was up 30% to $30.3 million.

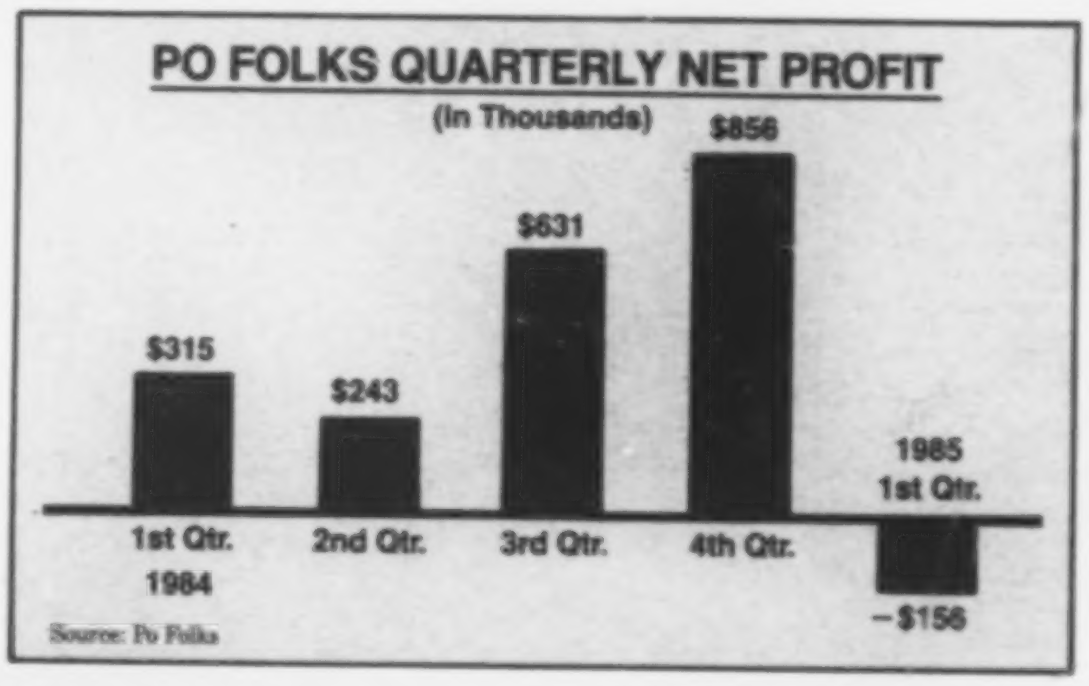
Figures include earnings of subsidiary DavCo Inc., the largest Wendy's franchisee in the United States, operating 105 units. DavCo sales were up 28% for the quarter, to just over $22 million.

Walt Spear, vice president of finance for the 140-unit family restaurant chain, said it was "hard to say" what was behind the 20% drop, but that contributing factors might be "a proliferation in the number of new restaurants that opened during the quarter," cannibalizing the publicly held company's sales, and a rise in retail credit.

"When people buy hard goods," like cars or machinery, he said, "they eat out less." January, February and March is our worst quarter," he added. "October, November and December is our second worst."

To combat the sales decline, the chain has introduced marketing and new product development programs aimed, according to president Clyde Culp, at building sales and solidifying market position. Po Folks rolled out a roast beef dinner in December; it is currently accounting for 8% of sales. A new cobbler dessert has also been rolled out.

Net profit for 1984 was $3.3 million, on revenue of $107,118,000.



Source: Po Folks

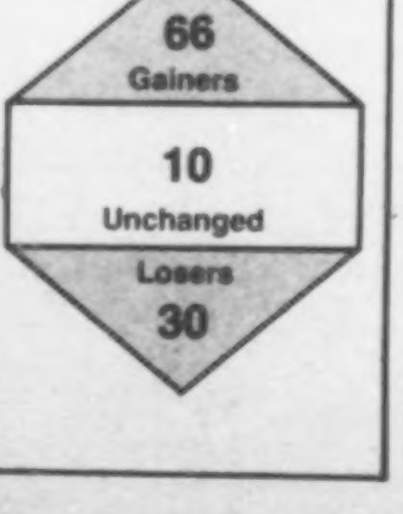
WALL STREET UPDATE

Index leaps 4.1 points, sets record high of 113

NEW YORK — Powered by the broadest stock market rally since 1971, the *Nation's Restaurant News* 88-issue Food Service Operators Stock Index jumped 4.1 points in the week ended Jan. 25 to hit a record high of 113.

Winners outnumbered losers on the full 106-stock *NRN* listing 66-to-30, with 10 unchanged.

Restaurant stocks were following a broad market boom which saw advancing issues outpace declining issues for 15 straight trading days, a 14-year record. Market watchers credited the rally with good economic news.



The Dow Jones Industrials Average closed at 1276.06 in the same week, up 48.70 points. Some analysts openly predicted a 1300 Dow.

Seventy-seven of 106 *NRN* stocks showed volume gains, the heaviest trading bias in weeks.

Leading the restaurant stock rally, Naugles volume surged 320%

*(See **INDEX**, page 56)*

Bank buys 5% of American Family Pizza

HOLLYWOOD, Fla. — Buffalo Capital Corp., a New York merchant banking firm, has purchased 5.5% of American Family Pizza, operator of 15 franchised Godfather's in Florida.

Buffalo Capital's chairman, John H. Hickman III, has been named to chair American's executive committee.

American Family Pizza chairman Jerry Slusky said the purchase of 100,000 shares, priced recently at $1 each, was a private transaction. Slusky will remain chairman of the company.

Along with the rest of the operators in the 900-unit Godfather's network, American Family Pizza has suffered declining profits. Because of the write-offs on five closed stores, the fourth quarter might show a loss. In the third quarter the company reported a $260,000 loss, despite a 23% revenue gain to $2.2 million.

But this franchisee is conducting one of three authorized tests of a new New York-style thin-crust pizza that some analysts believe the chain must roll out in order to be competitive with other chains.

The deep-dish pan pizza Godfather's rolled out early last year was a failure. After initially impressive sales gains, customer dissatisfaction combined with high food costs and operational difficulties to result in the product's being withdrawn from stores.

A reformulated pan pizza, Slusky said, did not have the problems of the original, but sales were "nothing substantial."

Because of its financial problems and the lack of adequate direction from the parent company, American Family Pizza suspended the payment of royalty fees to the franchisor last year. Slusky said he was "discussing" the matter with the parent company, Diversifoods, and believed some agreement would be reached.

Hickman, who holds a law degree from Yale, is a professor of management at Barry University in Miami, the company said. He is also a director of a New York-based nursing home chain that has five facilities in Florida.

Hickman has been granted options to buy 100,000 more shares of American Family Pizza stock to be exercised after the company has reported two consecutive profitable quarters.

CLASSIFIED ADS
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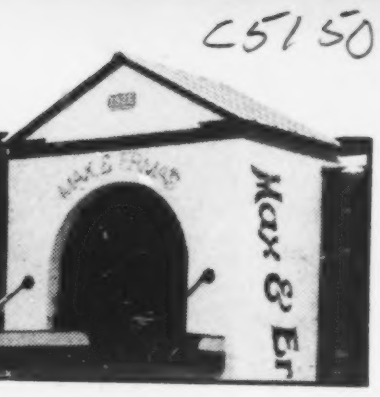
C5150-5

Health care feeding blossoms into a $12.7 billion industry

—Focus/F3-4

Max & Erma's contemplates an upscale route to recovery

—Page 4



Nation's
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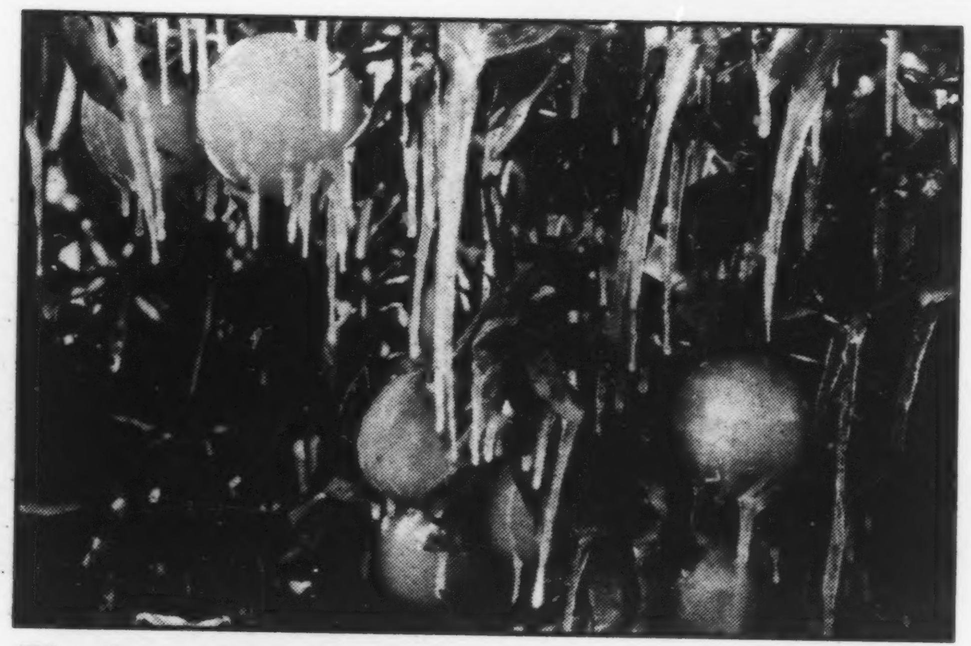


The freeze has already sent orange prices climbing.

Freeze raises prices

Florida frost hits orange, vegetable crops

By Patt Patterson

LAKELAND, Fla. — The fourth disastrous freeze in the past five years hit Florida last month and will affect the supplies—and prices—of frozen orange juice concentrate, fresh oranges and winter vegetables, all of which were damaged by the low temperatures.

Frozen concentrated orange juice prices have already started climbing, although two factors may cushion the rise: the bumper crop of oranges processed into juice concentrate by Brazil, and the continuing competition between processors in this country.

Of greater immediate concern to Eastern and Midwestern food-service operators is the squeeze the freeze damage will place upon winter vegetable supplies. A major portion of the tomato, lettuce and peppers that traditionally come from Florida in the winter were destroyed in the fields.

*(See **FREEZE**, page 71)*

El Torito testing low-end concept

By Richard Martin
West Coast Editor

CHICAGO — El Torito, on the heels of a 43% net profit gain last year, has unveiled a new, nothing-over-$4.95 Mexican concept, Que Pasa, in three converted Jojos coffee shops here.

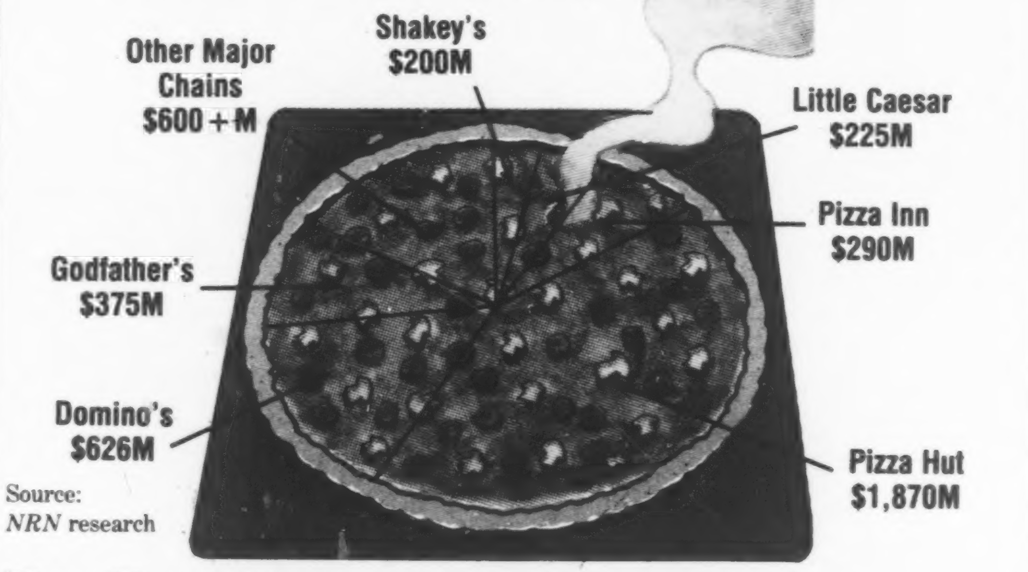
Four more freestanding Jojos conversions to the breakfast-lunch-dinner Que Pasa format, also in the Chicago market, are tentatively scheduled for the April-June quarter.

The initial Que Pasa test units, which opened last month in Morton Grove, Buffalo Grove and central Chicago (at the corner of Harlem and Foster streets), feature a full bar—where the coffee shop counter used to be—and a greenhouse atrium addition on two sides.

*(See **EL TORITO**, page 71)*

SLICING UP THE PIZZA MARKET

(1984 Estimated Systemwide Sales)



Source:
NRN research

Pizza Hut continues to dominate the chain pizza segment with estimated annual sales of nearly $1.9 billion but other major chains are rolling out new menu items and new concepts to grab a bigger slice of market share. Meanwhile, independent pizza restaurants control an estimated 54% of the total pizza market. (Full report on page 3.)

America's menu covers all bases

By Paul Frumkin

NEW YORK — Although restaurants featuring regional American cuisine appear to be springing up on virtually every vacant corner of the city these days, not one of these trendy new operations has attempted to deliver as large and diverse a menu as the six-week-old America in lower Manhattan.

With nearly 200 dishes listed, the 10,000-sq.-ft. restaurant—located in an old rug warehouse—at first, more closely resembles a cafeteria than it does its smaller, white-tablecloth competition such as An American Place, Diane's, Cajun, or Carolina.

On closer examination, however, America's menu orientation is distinctly thematic, with the majority of the dishes culled from a contin-

*(See **AMERICA**, page 12)*

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Standing out in San Diego

A revitalized downtown offers tasty opportunities

EDITOR'S NOTE: What's happening in America's Marketplaces? Are we bound for another recession? Or will economic activity at the local level encourage continued growth? Reporters and editors for Nation's Restaurant News *are talking with industry executives, independent operators, economists and political leaders throughout the country to get an assessment. Their findings will appear on an occasional basis over the next few months in* NRN. *This week: A comprehensive look at San Diego.*

* * *

By Richard Martin
West Coast Editor

DOBSON'S
Restaurant

Restaurateurs Carol and Paul Dobson have helped spark the resurgence of downtown San Diego.

First of a series

AMERICAN MARKETPLACE

SAN DIEGO — Deacon Brown thought he would abandon the maritime charm and sun-drenched ambience of San Diego and return to Los Angeles.

A tall, blond former Marine with a business degree, Brown became a successful restaurant owner with the thriving Cafe Pacifica seafood dinnerhouse he opened in San Diego's Old Town district. But just 120 miles to the north, where Brown had been Patrick Terrail's maitre d' at Ma Maison, the vast Los Angeles

*(See **SAN DIEGO**, page 10)*

Chains, independents carve up pizza market

By Don Jeffrey

Pizza chains, battling each other and strong independents for market share, are testing popular but problematic home delivery systems and adding new, so-called upscale menu items to build traffic and boost repeat business.

Impressed with Domino's Pizza's apparently successful pioneering efforts with home delivery, Pizza Hut, Godfather's, Pizza Inn and other chains are testing delivery systems of their own. But they are encountering increased costs, operational headaches and other challenges, and are moving slowly.

Independents are estimated to hold 54% of the total pizza market. Analysts point out that they seem much more able to hold their own against the invasion of the national pizza chains than, say, local burger and chicken operators were against the nationals in those segments. Many pizza operators continue to say that small independents are their biggest competition in any market.

While crediting Domino's chairman-chief executive Thomas Monaghan with creating a market for pizza delivery, other pizza officials are not yet convinced of the concept's viability. "It might not have staying power," warns Pizza Inn chairman F. Joseph Spillman.

Pizza Hut is testing home delivery in five markets in special units so regular operations are not disrupted. Other chains, including Godfather's and Pizza Inn, are testing delivery out of their regular units but do not expect to add delivery systemwide in the near future.

Meanwhile, major pizza chains, borrowing ideas from independents and devising their own offerings, are testing new menu items such as the priazzo, Pizza Hut's double-crust, Italian-style pie;

*(See **PIZZA**, page 63)*

Fast, Friendly, Free De

Although Pizza Inn chairman F. Joseph Spillman (left) credits Domino's Thomas Monaghan with creating a market for pizza delivery, he and others warn the concept "might not have staying power."

Wyndham takes aim at Marriott's Courtyard niche

Plans March groundbreaking for midpriced hotel chain

By Peter Romeo

DALLAS — Wyndham Hotels, an upscale chain backed by Texas millionaire Trammell Crow, is spinning off a tier of midpriced inns called Wyndham Garden Hotels that are admittedly similar to Marriott's Courtyard concept.

Wyndham revealed its new strategy on the same day that Marriott disclosed plans to build eight to 10 Courtyards in or around Crow's home town here, and 20 more elsewhere in Texas by 1992.

Like the Courtyards, Wyndham Garden will consist of low-rise buildings surrounding a garden-style courtyard. Each inn will feature 150-180 rooms, 10-15 suites, a restaurant, lounge and meeting rooms.

"The properties are geared toward the commercial traveler," says Wyndham vice president of marketing Caren Kline. "Rates will fall in a range of $50-$60.

Ground will be broken for the first Wyndham Garden in Las Colinas, Tex., on March 15. The property is scheduled to open sometime in December.

Wyndham's initial plans call for five or six additional inns to be constructed elsewhere in the country. The concept will not be franchised.

When questioned about the similarities between Wyndham Garden and Marriott's Courtyards, Kline responded that "a number of hotel companies are going after that market.

"And there are some differences," she added. "Our hotels will be more upgraded than Courtyards. Some will be included in mixed-use complexes built by Trammell Crow companies. Marriott's not doing that."

One of the lodging chains looking to copy the Courtyards concept is Ramada Inns, where work has already begun on what its executives call "the motel of the 90's."

Wyndham president Jerry Best had been president of Ramada until last fall. Prior to that, Best was with Marriott.

Marriott expects to begin construction of its first Texas Courtyard in Arlington late in 1985, a spokesman said. Meanwhile, the company is scouting or negotiating for eight to 10 sites in the Dallas/Fort Worth area.

Marriott's longer-term plans call for the construction of Courtyards in Austin, San Antonio, El Paso, Waco, Tyler, Amarillo and College Station. All will be corporately owned and operated.

Student Prince owner Rupprecht Scherff holding one of the 1,400 beer steins in the restaurant's collection.

Guiding the Student Prince

Like his restaurant, Rupprecht Scherff is an institution

By Peter Romeo

SPRINGFIELD, Mass. — "Where's the sauerkraut? I told you to bring sauerkraut," Rupprecht Scherff barks at one of his waitresses as he zips through the dining room, displaying more energy at age 70 than most of his younger servers.

The waitress—a plate of sauerkraut in hand—mutters a comeback under her breath, much to the delight of the two businessmen she is waiting on. Customers of the Student Prince and Fort Restaurant have come to expect such human touches from Scherff and his staff. As one patron commented, "It's just like home."

And indeed, the 250-seat, $2 million-a-year restaurant and bar has become home, or at least the next best thing, to thousands who have eaten there all their lives. An amazingly loyal clientele has made the Student Prince a Springfield institution, known to celebrities and common folk alike from New York to Boston.

Scherff says he ignores current food fads and trends in favor of heavy, stick-to-the-ribs German-American dishes. His customers apparently agree with this approach—traffic is running 10% above last year.

In addition to the food, one of the main attractions at the Student Prince is Scherff himself—a character by anyone's definition.

Many Student Prince customers first encountered Scherff while still in diapers. Through the years, "Rudy" or "Ruppert" was always there to greet them at the door, often by name, with a hearty "Gutten appetit" and a menu that includes recipes taught to Scherff by his mother.

Yet, after operating the Student Prince for 36 years, and owning it for the last 15, Scherff still manages to pack some surprises.

Flanked by stained glass windows, with his 1,400 beer

*(See **PRINCE**, page 14)*

Jack in the Box rolls out new salad, refines strategy

By Richard Martin
West Coast Editor

SAN DIEGO — While mulling over a chainwide name change to Monterey Jack's, Jack in the Box has bolstered its executive lineup, launched a major franchising drive, and rolled out a $2.89 pasta-seafood salad.

The new pasta-seafood item furthers the fast-food chain's successful five-year-long repositioning toward a more adult market, begun when the company "blew up" its clown mascot in 1980 television commercials.

But last month, while an elaborate TV spot pitching the new salad tried to distance the 790-unit chain from competitors' "burger wars," Jack in the Box began a concurrent print-ad promo in most markets of its $1.59 Jumbo Jack burger, offered for a limited time at 99¢.

The TV ad for the pasta salad (white fish, "snow crab," bay shrimp and green and yellow spiral pasta on a bed of lettuce) was devised out of the chain's estimated $20 million ad budget by Barry Klein, former executive vice president of Jack's agency, Wells, Rich, Greene/West. Klein, a multiunit McDonald's franchisee in New York who dreamed up the Ronald McDonald concept when he was that company's advertising director, joined Jack in the Box as executive marketing vice president on Feb. 1.

Klein's appointment was one of several made effective Feb. 1 by Jack W. Goodall, president and chief executive of Foodmaker Inc., the foodservice subsidiary of Ralston Purina Co., and the parent of Jack in the Box.

Robert J. Nugent Jr., former operations vice president at Ponderosa and a five-year Foodmaker veteran, moved from operations vp to executive operations vice president.

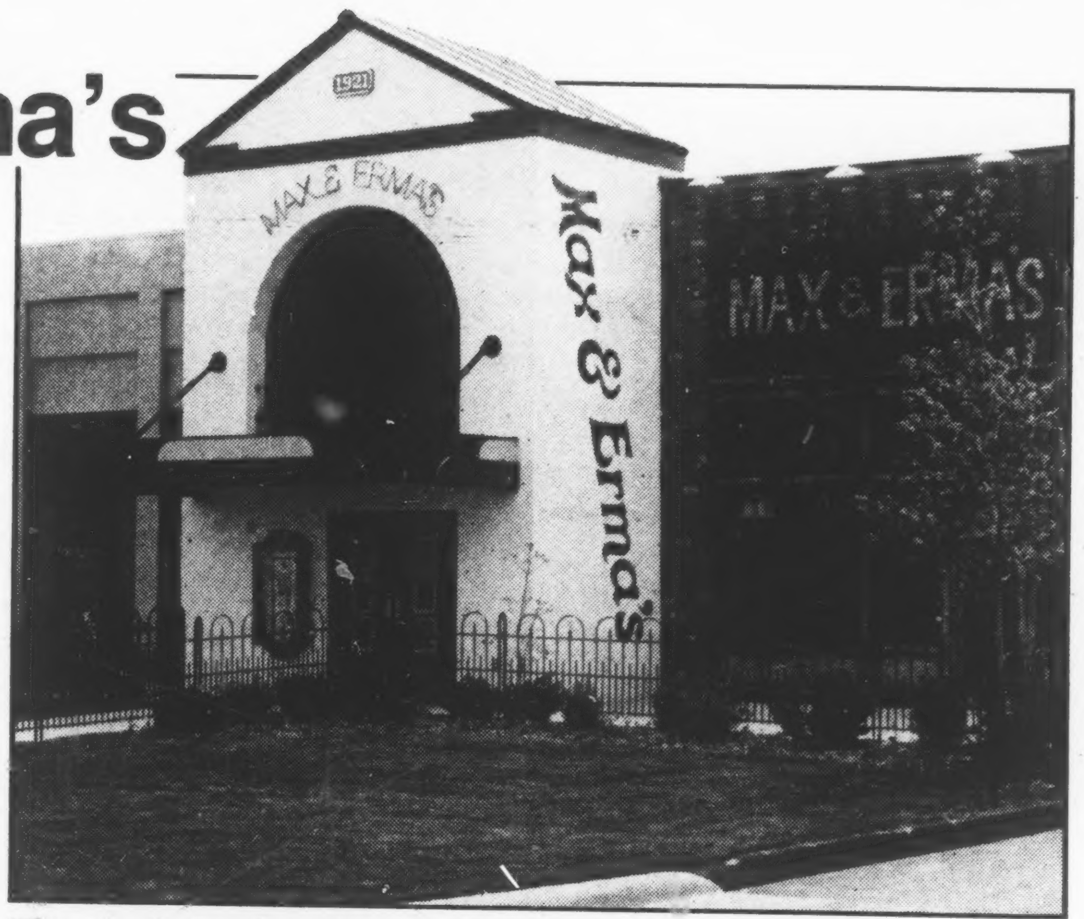
Stephen (Duffy) Oyster, former marketing director for Dunkin Donuts, advanced from his three-year position as

*(See **JACK**, page 63)*

Max & Erma's seeking recovery

Chain weighs upscale shift

By Patricia Stoll
Midwest Editor



The chain is planning to add fish and pasta bars to all units.

COLUMBUS, Ohio — Opening new restaurants in high-traffic areas is a key factor in the turnaround strategy of Max & Erma's, a dinnerhouse chain which is attempting to recover from two years of losses compounded by the closing of four units.

Also a key strategic factor for Max & Erma's—which expanded over the past 13 years from a single restaurant offering large hamburgers, hotdogs and do-it-yourself sundaes to an 11-unit full-service chain with 1984 sales of $17.8 million—is revision of the menu and addition of seafood and pasta bars to differentiate it from similar concepts like Houlihan's and Bennigan's.

Yet despite the struggle to carve out a niche for Max & Erma's, its management is considering spinning off into the highly competitive—and some say oversaturated—self-service upscale burger market in which the most visible participants are Fuddrucker's and Flakey Jake's.

Although he characterized the company's consideration of entering the upscale burger market an "internal debate," president Todd Barnum said, "I think we may stick our toe in the water."

Barnum blamed poor site selection and subsequent closings of four Max & Erma's restaurants for a loss of $761,000 in 1984, following a $298,000 loss in 1983.

Shuttered during those two years were four units in Toledo, Cincinnati, Louisville and Kansas City. During the same period, two units opened in Columbus and Farmington Hills, Mich. Other Max & Erma's are located in Indianapolis, Dayton, Pittsburgh and Lexington, Ky.

> *'The company has more clearly defined its target group.'*

"We weren't doing our homework," said Barnum about site selections made in the past five years by the company.

Although several of the now-closed sites appeared to be good financial deals at the time, Barnum said their locations—away from high-traffic areas where competitors Houlihan's and Bennigan's were present—led to their unprofitability and eventual closings.

All remaining units are profitable, Barnum said, noting that one of the newest did volume of $40,000 its first week. Average annual unit volumes for the newer units—which have 5,000 to 6,000 sq. ft. and 130 seats—is $1,550,000, added Barnum.

To strengthen its position in high-traffic locations, the company is looking to convert existing restaurants, especially in suburban areas, near shopping malls.

Only two of the company's restaurants are in urban areas—in Pittsburgh and in Columbus, at Ohio Center.

"We're very much into sub-

*(See **MAX**, page 12)*

IFA bullish about franchise growth

By Ken Rankin
Washington Editor

FORT LAUDERDALE, Fla. — Basking in a wave of optimism as warm as the south Florida sun, fast-food executives at this year's International Franchise Association convention expressed fresh confidence that franchising will emerge as the dominant method of doing business in the United States by the turn of the century.

Behind the stepped-up chain confidence at IFA's silver anniversary convention late last month: a parade of speakers openly bullish on the growth prospects for franchising, coupled with the release of new research that tends to confirm those upbeat projections.

One new study released by IFA at the start of the five-day meeting found "overwhelmingly" positive attitudes toward franchising on the part of the general public—a sharp reversal from the situation in the 1960's when franchising was viewed with suspicion by many consumers and potential investors.

A second study unveiled during the IFA meeting in Fort Lauderdale—the Commerce Department's annual "Franchising In The Economy" forecast—suggests fast feeders and other restaurant industry franchisors are on the verge of a major expansion drive this year which should result in a 14% jump in dollar sales during 1985.

Even Philip Zeidman, IFA's normally pessimistic Washington Counsel, cited a series of recent franchise-related Government actions which he said may indicate that a "strain of common sense" is emerging in Washington.

For his part, IFA chairman Stanley Bressler characterized the state of the association as "terrific" ('84 revenues topped $1.1 million and IFA pocketed a $100,000-plus surplus last year), and noted franchising is now on track to capture 50% of the nation's total retail sales by the year 2000.

Clearly, "you are in the right place at the right time," Bressler told the chain leaders.

All but overlooked during the up-beat meeting: a series of disquieting signals that franchising's silver cloud may have a somewhat darker lining.

Despite the bullish forecasts, IFA's convention produced fresh indications franchisors are growing increasingly concerned about "breakaways" or franchisee-initiated terminations which could skim the cream from the favorable growth projections for the fast-food industry.

Federal Trade Commission officials, meanwhile, released the results of a new franchisee survey at the meeting which suggest widespread chain violations of FTC's rule governing earnings claims to prospective investors. (Full coverage of the '85 IFA convention in an upcoming issue.)

COMMODITIES

Rising beef supply undercuts price hikes

By Patt Patterson

The increasing supplies of grain-fed cattle coming out of the feed lots has kept a lid on any beef price rises last month. The supply of fed beef is almost 10% larger than last year at this time. Combined with decreased consumption in the consumer market means operators will reap the benefits of a stable beef market, at least through this month.

With feed prices moderate, due in large part to rejection of much of the grains offered to export buyers, feeders will feel little pressure to reduce the number of cattle on feed. In fact, expect continued increases in cattle sold to the lots from now to spring. The storage damage to grain that has turned off export buyers, particularly from the Soviet Union, does not greatly affect its use for livestock feed. Producers and storage operators have cut their prices on much of this grain, keeping costs low for the feed lots.

Except during the mid-January cold wave through the midwestern hog-raising areas, hog slaughter remained above what most agricultural experts expected. In hindsight, the conclusions are now that the warm fall allowed animals to put on more weight than normal for that time of the year, thus allowing farmers to market hogs early, and reasonably high prices for hogs at the slaughterhouses has encouraged such marketing. Hog raisers, however, still reply negatively to U.S. Department of Agriculture surveys of anticipated plans for increasing or maintaining production, keeping alive fears of higher pork prices by late spring.

Poultry prices have been relatively stable, reflecting the increased number of broilers in the production chain. With lower feed costs, the large scale raisers have increased production 4% to 6% over last year at this time. Informal reports indicate the large firms are achieving a modest margin at the increased production, and consumption demand is strong.

Egg prices moved upward during January, but nowhere near the dollar-plus levels of last winter, when the avian flu scare had closed down production and resulted in destroyed flocks in Pennsylvania, Maryland and Virginia.

Most of the increase in prices recently has been laid to the cold weather hitting a large part of the eastern and midwestern egg production regions. Expect prices to range (at processor f.o.b.) between the mid-$0.50's and the mid-$0.70's through the spring, barring unexpected catastrophes or drastic changes in feed prices.

This is the period when canners traditionally take inventory of their remaining stocks of the previous year's production and adjust prices. Expect a number of increases, some of which have been announced and some of which will probably be announced this month. California Fancy leaf spinach has already (mid-January) moved up $0.50¢ per case.

Look for increases in the prices of California 6/10 ketchup, sauce and puree. Paste is likely to remain at present prices, at least until late spring. Mushrooms, on the other hand, have been sliding lower in price over the past month or two, and may slacken even more.

The supply of food-service cling peaches is getting tighter, and at *NRN* presstime one packer has already indicated intentions to hike prices. Look for possible increases this month in canned pears and fruit mixes. Apricots, although in very short supply, look stable for the next quarter, unless unexpected demand occurs.

In mid-January, the price of Hawaiian 6/10 pineapple rose 50¢ a case, despite continued pressure from imports.

PRICE MOVEMENT AT A GLANCE

	Jan. 28, 1984	Dec. 28, 1984	Jan. 28, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.04	$1.01	$0.98
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$0.6490	$0.5454	$0.5551
Butter, Grade AA, Midwest (lb.)	$1.4125	$1.41	$1.49
Carrots, No. 1 Jumbo, Calif. (50 lb.)	$6.00-$6.50	$4.00	$5.00
Coffee, green bean, Brazilian, N.Y.C. dock (lb.)	$1.50	$1.30	$1.44
Eggs, Grade A, large white, Chicago (doz.)	$1.14	$0.51-$0.53	$0.6568
Lettuce, iceberg, No. 1, Calif. (24s)	$3.00-$3.50	$10.00	$5.00-$7.00
Pepper, black, N.Y.C. port (lb.)	$1.03	$1.04	#1.20
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$1.05	$1.07	$1.01
Spinach, Fancy leaf, Calif. (6/10)	$9.95	$11.00	$12.00

Source: NRN Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

FOCUS NRN

COVER STORY

HEALTH CARE FEEDING: A GROWING SEGMENT

By Peter Romeo

A shift in orientation has transformed the $12.7 billion health care feeding segment into both an important growth vehicle for contract feeders and restaurants and a serious potential competitor.

Over the last year or so, hospital and nursing home food-service managers have laid the groundwork for both developments—and changed the nature of health care feeding in the process—in response to a set of contradictory goals being imposed on them by their superiors.

On the one hand, "the escalating cost of health care has raised an outcry from the public, the Government and insurance companies," says Richard Beaudin, regional vice president of the consulting firm Cini-Grissom. With 75% of the Federal Government's DRG (diagnostic-related group) price ceilings now in effect, "hospital administrators are running around yelling, 'the sky is falling, the sky is falling. Where can we cut our costs?'"

One of the prime areas of scrutiny, he and other observers agree, is the hospital kitchen.

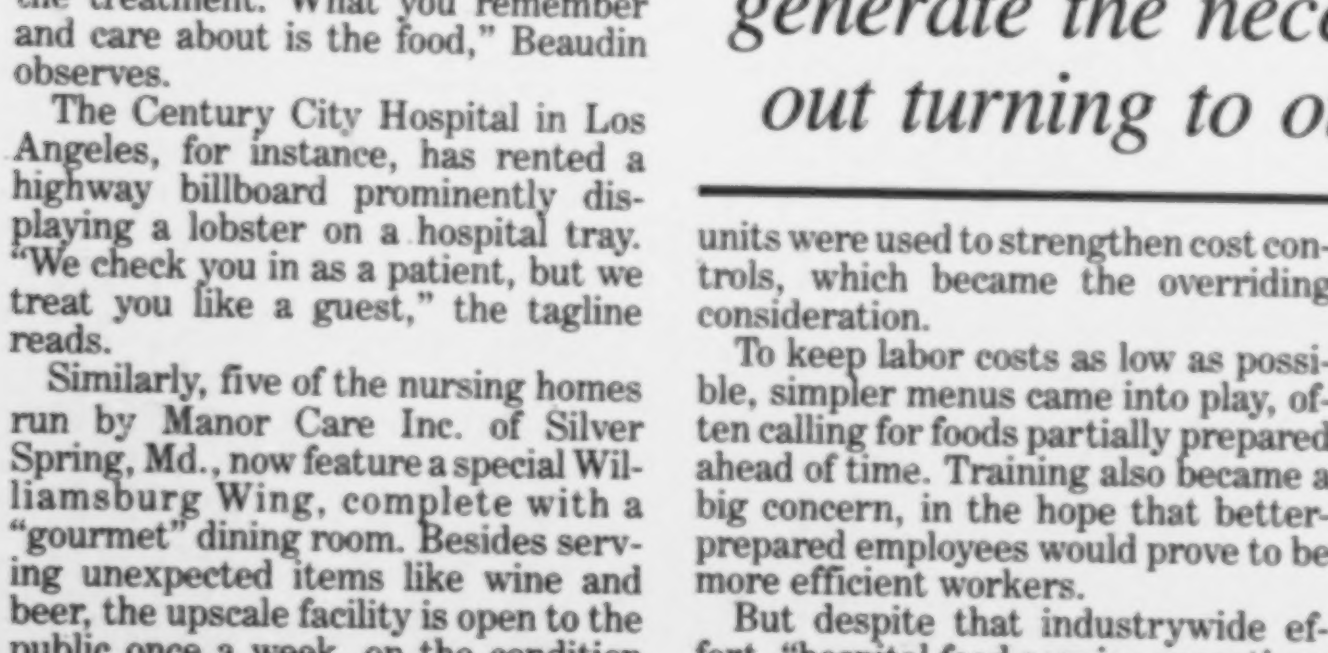
"I've seen health care feeding services go from the day of 'we want what we want' to 'how much can we afford to do?'" says Kay Dusty, a district manager for Custom Management Corp.

At the same time the number of health care facilities in the United States has grown exponentially, drastically heightening competition. Hospitals have begun to market themselves aggressively for the first time ever, usually relying on their food service as a key promotional tool.

"If you're a patient in a hospital, you don't know what went on in the operating room, and you try to forget much of the treatment. What you remember and care about is the food," Beaudin observes.

The Century City Hospital in Los Angeles, for instance, has rented a highway billboard prominently displaying a lobster on a hospital tray. "We check you in as a patient, but we treat you like a guest," the tagline reads.

Similarly, five of the nursing homes run by Manor Care Inc. of Silver Spring, Md., now feature a special Williamsburg Wing, complete with a "gourmet" dining room. Besides serving unexpected items like wine and beer, the upscale facility is open to the public once a week, on the condition that a patron be accompanied by someone over age 55.



The Century City Hospital in Los Angeles uses a different marketing tag.

"It's been a great marketing tool for us," says Manor Care spokesman Richard Lazarnick. "We have a backlog of nine to 18 months for reservations at some of our facilities. We've even started to require a deposit, the way hotels do."

The in-house feeder's dilemma of having to serve more elaborate meals at a lower cost was expected to drive many hospitals into the arms of contract feeding companies, which could promise more efficiently run operations.

But the heavy onslaught failed to materialize, or at least not as quickly as most observers believed earlier in the decade.

According to a recent report from the U.S. Department of Commerce, approximately 20% of all health care meals are provided today by contact feeders. That figure is virtually unchanged from the tally for 1983, when the implementation of government-set cost controls was expected to create a widespread demand for outside managers.

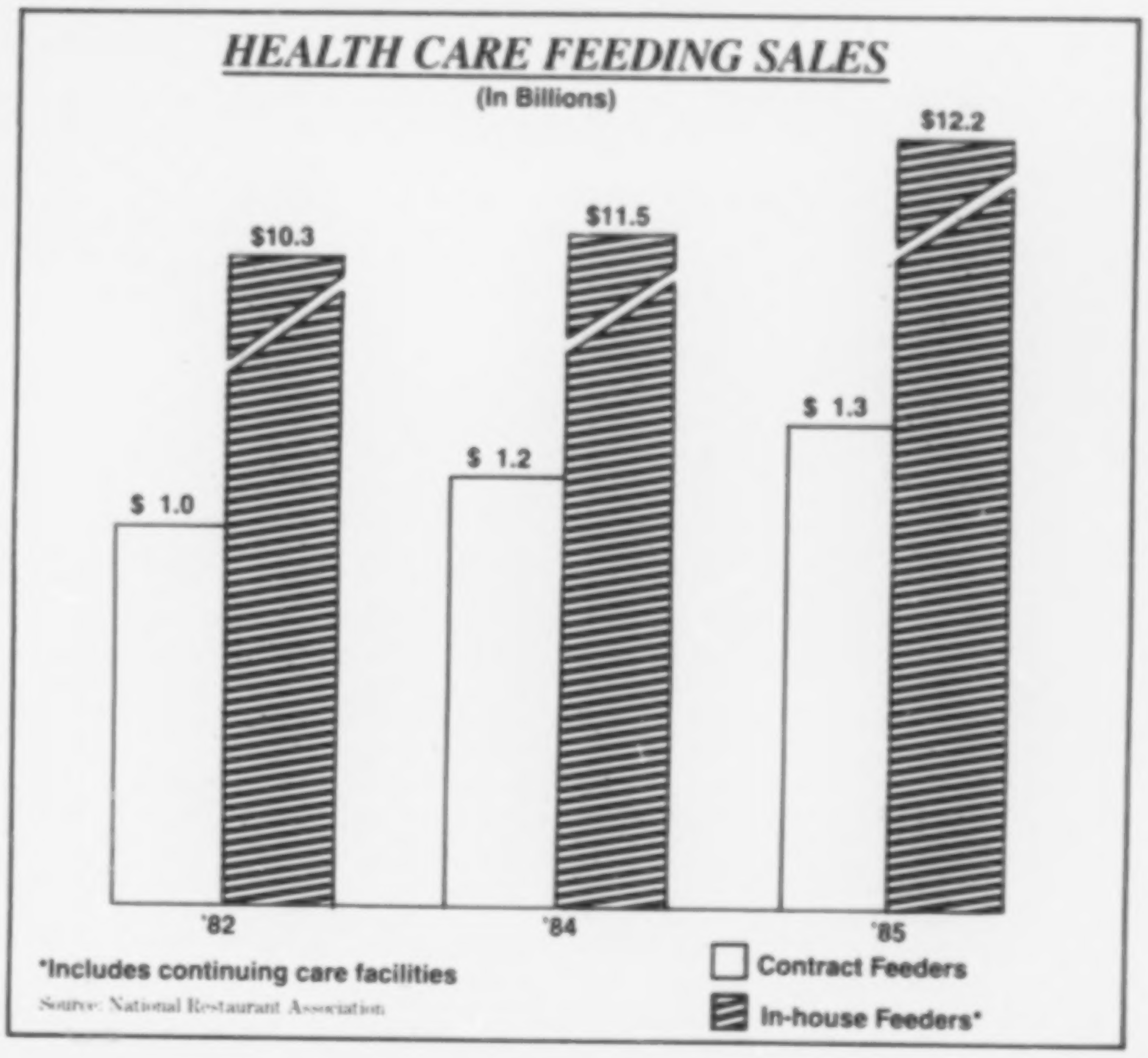
Consultants and most contract feeders attribute the slower-than-expected penetration to an unrealistic belief on the part of health care operations that they can do an equally efficient job on their own. Why jack up our food-service costs by 5% to 10% for a management company's fee, the facilities supposedly reason, if we can have our own managers do it for what we're paying them now?

As a result, the early 1980's brought a heavy-handed computerization of hospital food-service operations. The units were used to strengthen cost controls, which became the overriding consideration.

'A hospital cafeteria can seldom generate the necessary traffic without turning to outside customers.'

To keep labor costs as low as possible, simpler menus came into play, often calling for foods partially prepared ahead of time. Training also became a big concern, in the hope that better-prepared employees would prove to be more efficient workers.

But despite that industrywide effort, "hospital food-service operations are still not efficient, not by a long run," says Roslyn Willett, president of the consulting firm Roslyn Willett Associates Inc. "The best you can expect from a hospital kitchen today is 25 meals per employee per shift," compared to the 30 to 35 most observers say a contract feeder can provide.


HEALTH CARE FEEDING SALES
(In Billions)

*Includes continuing care facilities

Source: National Restaurant Association

Not coincidentally, hospitals are more readily beginning to accept the advances of contract feeders. "They [the hospitals] are now saying to us, 'Show us what you can do.' Two years ago you didn't get that far," says John Pryor, vice president of sales and marketing for Morrison Inc.

Other contract feeders report similar, if not more positive, experiences. Marriott Corp.'s Food Service Management division recently expanded the number of its hospital customers by 4.6% on a single day, raising the tally to 86 facilities. Saga Corp. has increased its roster of health care customers by 36% over the last 18 months, through the addition of 48 new accounts.

Morrison currently has 190 health care customers, though "the total changes almost on a weekly basis," Pryor notes.

"Every contract feeder sees that the market has to blossom in the near future," he continues. "We've only seen the tip of the iceberg."

"More and more hospitals are looking for alternatives to in-house operations," says Tony Alibrio, vice president of marketing and sales for Saga Corp.'s Health Care division. "We're already coming on strong, and in the next 12 to 18 months we'll come on even stronger."

Statistics from the National Restaurant Association (NRA) bear out this contention. The trade group predicts that health care food and beverage sales will total over $13.5 billion, for a 6.3% increase over 1984. Of that 1985 tally, contract feeders are expected to account for "significantly more" than $1.3 billion, or 9.9% more than they realized in health care sales during 1984, according to an NRA spokesman.

Adjusted for inflation, the sales increase for contracted health care feeders amounts to 5%, compared to a predicted real growth of 1.5% for in-house feeders and 3.4% for the commercial food-service industry as a whole.

In addition, the Commerce Department noted in its recent *U.S. Industry Outlook* that the health care potential for contract feeders may prompt other companies to join the six that now serve that sector.

However, recent developments within the ranks of in-house hospital feeders suggest that the blessing for contract feeders may be to some extent a mixed one.

One of the ways hospital food-service departments have countered mounting cost containment pressures is by resorting in sizable numbers to a process called "cook-chill" or "cook-to-inventory." In essence the procedure calls for large quantities of meals to be prepared at once and then flash-frozen. Meals prepared in that fashion can be stored for as long as two months before being reheated, allowing a kitchen to make maximal use of its labor and smooth out peaks in demand without expanding the workforce.

But because the cook-chill equipment is so expensive, many facilities are attempting to maximize the return on their investment by selling cook-chill meals to other nearby institution-

*(See **HEALTH**, page F4)*

HEALTH CARE FEEDING

Contract feeders are expected to benefit from a massive increase in nursing homes as Americans get older.

(Continued from page F3)

al kitchens—in effect positioning themselves as contract feeders.

"That technique is already being used, though not widely," says Beaudin. "But it will probably come to be used a lot more. A lot of people are talking about it."

Besides, hospitals are not limiting their catering efforts to that one endeavor. Several hospital feeders mentioned that they are now handling the food-service needs of community group or management teams meeting within the hospital. All agreed that catering to outside groups will likely be the next step, though most were uncertain when it would happen or to what extent.

At the same time a number of hospital food-service operations are moving to position themselves as full-fledged competitors to commercial restaurants.

They are being prompted to do so by a "zero-base subsidy rationale" being applied by hospitals to their employee cafeterias, once one of the most wasteful areas of health care feeding, says Paul Hysen, president of the consulting concern the Hysen Group.

Although hospitals once were willing to accept a loss from their employee feeding operations, "it's got to the point where the cafeteria now has to pay its own way. They need to generate their own revenues, if not a profit," Hysen says.

Yet a hospital cafeteria can seldom generate the necessary traffic without turning to outside customers. To make matters worse, cafeterias are losing in-house customers to nearby fast-food operations.

"Your cafeteria is only open from 6 [a.m.] to 6 [p.m.]. So you don't get much of a return on your investment," says Custom Management's Dusty. "Hospitals are realizing that they have a full facility just sitting there waiting to be used."

She, Hysen and several other observers note that a number of hospitals have already taken the bold step of turning their cafeterias into fast-food outlets, take-home delis and bakeries, or even sit-down restaurants, and then opening them to the public.

All agree that the trend will continue, in part because it meets a health care facility's pressing need to market itself more aggressively to the public. For instance, Hysen mentioned that several Midwestern hospitals have opened on-premises health food restaurants in an effort to increase their exposure to potential patients, impress them with their high-quality fare and promote the notion that the hospital is concerned about the community's overall health.

But, as Hysen notes, operating a commercial restaurant can be a precarious and expensive endeavor for a hospital feeder. Consequently, many facilities are calling in commercial restaurant chains, particularly fast feeders, to run an on-premises operation.

The Tipcan Memorial Hospital in Canton, Ohio, for instance, now sports a Hardee's. Kentucky Fried Chicken outlets have opened in several hospitals, and Big Boys, a chain run by Marriott, have popped up inside several other facilities all across the nation.

Though observers are uncertain how far the trend will go, the possibility of tying in with hospitals opens a potentially vast market for restaurant chains, particularly if they can team up with the giant hospital chains that have evolved in recent years.

Although hospitals clearly represent a better growth opportunity for contract feeders and restaurant chains, a revolution about to take place in the nursing home market is expected to enhance the potential.

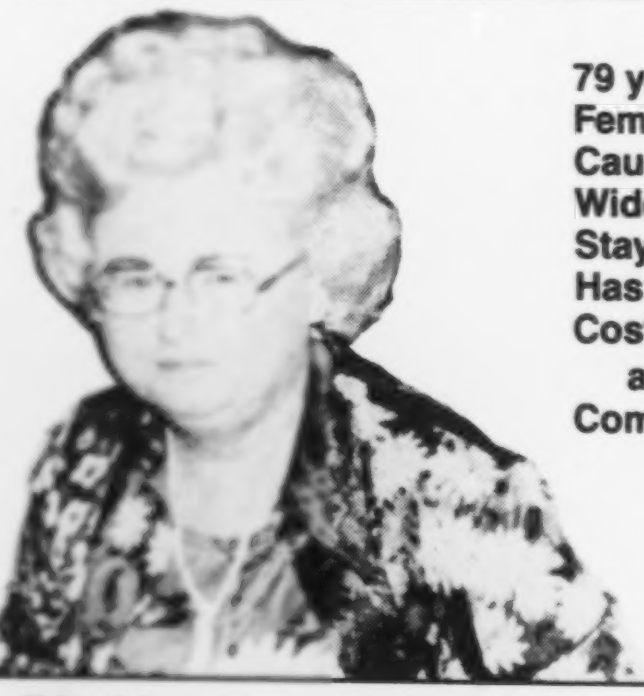
Contract feeders especially are expected to benefit from a massive increase in the number of nursing homes, the result of an unparalleled shift in American demographics.

As the baby boom generation "grays," the day will eventually arrive when almost half the American population will be above age 65. And "at any given time, 5% of the population over age 65 will be in nursing homes," says Manor Care's Lazarnick.

According to figures provided by Lazarnick, 26 million Americans have already celebrated their 65th birthday. The total is expected to soar to 30 million—an increase of 15.4%—by 1990.

Though nursing homes have long felt the cost constraints that now affect hospitals, their daily fees have nevertheless continued to skyrocket. The key question, especially for contract feeders, is whether the Government will intervene, as it has done in other areas of health care.

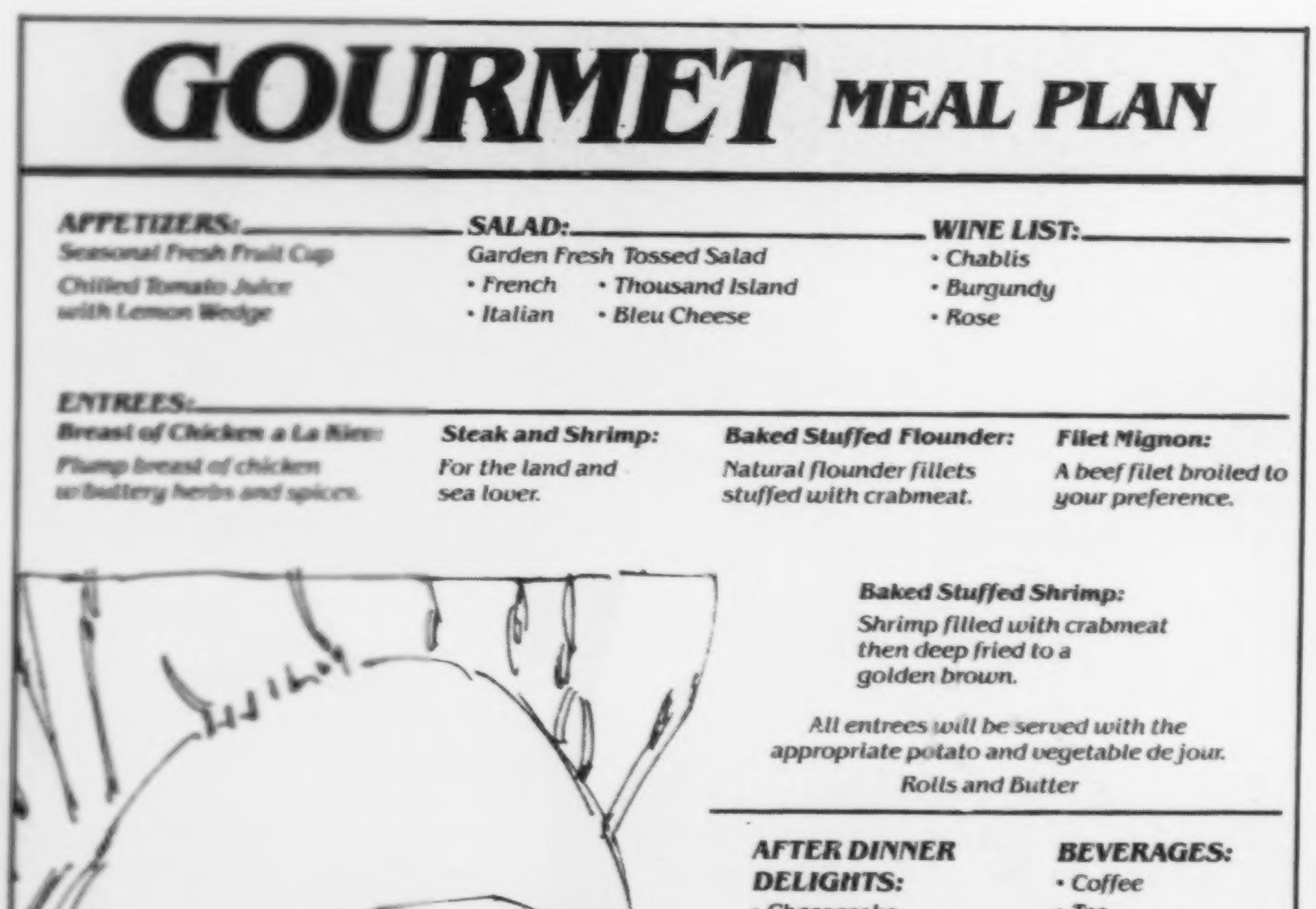
PROFILE OF TYPICAL NURSING HOME PATIENT



79 years old
Female
Caucasian
Widowed
Stays 2.4 years
Has three or more chronic illnesses
Costs $65 a day to house, feed and treat
Comes directly from her home

Source: Manor Care Inc.

Here, workers at Beth Israel Hospital in Newark, N.J., prepare meal trays for patients. Although hospital patients tend to forget most of their stay, the memory of the food lingers long after they have been discharged. Once considered tasteless and boring, hospital food is becoming more attractive.



GOURMET ***MEAL PLAN***

APPETIZERS:
Seasonal Fresh Fruit Cup
Chilled Tomato Juice with Lemon Wedge

SALAD:
Garden Fresh Tossed Salad
- *French*
- *Thousand Island*
- *Italian*
- *Bleu Cheese*

WINE LIST:
- *Chablis*
- *Burgundy*
- *Rose*

ENTREES:

Breast of Chicken a La Kiev: *Plump breast of chicken w/buttery herbs and spices.*

Steak and Shrimp: *For the land and sea lover.*

Baked Stuffed Flounder: *Natural flounder fillets stuffed with crabmeat.*

Filet Mignon: *A beef filet broiled to your preference.*

Baked Stuffed Shrimp: *Shrimp filled with crabmeat then deep fried to a golden brown.*

All entrees will be served with the appropriate potato and vegetable de jour.
Rolls and Butter

AFTER DINNER DELIGHTS:
- *Cheesecake*
- *Fruit Short Cake*
- *Layer Cake*

BEVERAGES:
- *Coffee*
- *Tea*
- *Milk*
- *Iced Tea*

GOURMET MEAL:
**The Gourmet Meal Program for the patients is available 7 days a week at the dinner meal only.*
**Gourmet Meals can be purchased as a gift for the patient through the Hospital Gift Shop.*
**Meals may also be ordered through the Dietary Department by dialing extension 135.*
**Orders must be received by 5:00 P.M. to be served the following day.*
**Gourmet meals must be paid for in advance.*
**A gift card will accompany all meals that are gifts.*
**Wine service is included in the Gourmet Meal.*

Patients at Riverside General Hospital in Secaucus, N.J., have the option of dining on gourmet meals. The special dinners are available seven days a week and include appetizers, salad, entrees, dessert, wine and beverages. The meals can be purchased as gifts by friends or relatives. This poster is displayed prominently throughout the hospital.

Pizza chains, independents battle for share

(Continued from page 3)

gourmet international pan pizzas from Noble Roman's; a New York-style thin crust pizza from Godfather's, and even home-delivered breakfast omelets from Domino's.

As Robert Taft, chief operating officer of the 100-unit Pizza Hut franchisee A&M Food Service, put it: "You gotta do something new or you get trampled."

And Domino's and Little Caesar's, both based in Michigan, are leading the way with aggressive unit expansion. Domino's finished 1984 with nearly 2,000 units open, making it the second largest pizza chain, and expects to open its 3,000th unit by year-end. Take-out chain Little Caesar which began 1985 with 668 units, plans to open its 1,000th store this year.

GODFATHER'S, ONCE the second biggest chain and the hottest in the restaurant industry, has had to cut back its expansion plans due to severe internal pressures. A decline in profitability, a disastrous pan pizza rollout, and the erosion of investor and franchisee confidence led to the forced resignations of chief executive Charles Boppell and his boss, Don Smith, chief executive of parent Diversifoods. Pizza Hut veteran Everett Jefferson is now trying to get Godfather's back in shape.

Some analysts, charging widespread couponing in the segment has weakened profit margins, call Godfather's "the first large casualty" of that process. But other chains are also heavily into discounting, with dollar-offs and 2-for-1 widely used.

Other casualties in the pizza wars are the once-fast-growing pizza-and-games chains. Many, such as Chuck E. Cheese's Pizza Time Theater, are now mired, in bankruptcy courts. Pizza Inn's Spillman said the rapid rise and fall of these concepts "might have had a negative effect on the pizza business."

With Godfather's and other chains faltering, there's a scramble to pick up market share. Pizza Hut, far and away the segment leader with 4,600 units, has held steady with about a 20% share of the pizza market, but that may rise with its continued emphasis on new products and operating efficiencies. Many observers also see a bright future for strong regional chains such as Rocky Rococo, Noble Roman's and Round Table Pizza.

THE BIG chains, meanwhile continue to underperform in the major metropolitan markets which they have to penetrate with large numbers of stores for media efficiency and where they go head to head with popular local independents.

Los Angeles, for example, has proved difficult for pizza chains to break into because it is expensive and sprawling. New York consumers seem to prefer their local pizzerias, though Godfather's has 14 New York City stores.

IN THE new product area, the new priazzo is "Pizza Hut's entry into the upscale, gourmet market," says a franchisee. Priced like a very large pizza (more than $12) and serving about four persons, it has a top and bottom crust and is filled with tomato sauce and choices of meats and vegetables. On top are two cheeses. It is served on a board and cut at tableside.

Some so-called upscale products may meet with consumer resistance. Executives at Noble Roman's report "some reluctance to trial" of their new special-toppings international pan pizzas, possibly because of the higher prices.

These products—the priazzo and the international pan pizzas—are designed for the dinner trade, the traditional pizza daypart. But most chains are building their lunch trades as well, and at least one is venturing into breakfast.

PIZZA HUT broke lunchtime wide open for the chains with its heavily marketed personal pan pizza two years ago. Last year it rolled out a bigger version of that product called Big Topper. Lunch now accounts for 25% of sales.

Jack in the Box: more changes

(Continued from page 3)

Jack's menu development vice president to the position of executive vice president of corporate development and franchising.

Oyster will take over supervision of Jack's campaign to franchise about 100 existing units in California, Texas, Colorado and Missouri. At fiscal year end last Sept. 30, the chain had 777 company and 61 franchised units (47 in California, 13 in Arizona and one in Hawaii).

Newspaper advertisements for three franchise units available in St. Louis, Mo., where Ralston Purina is based, specified franchisee qualifications of $140,000 in liquid assets and a total net worth of at least $190,000.

The company is expected to expand substantially in the current year, although Jack officials have declined to specify projected net unit growth numbers.

Along with the other appointments, James M. Matthews Jr. and Kenneth R. Williams were each named operations vice presidents. Matthews and Williams, Jack's veterans for 17 and 19 years, respectively, will have operations responsibilities for approximately half of the company-operated chains. Both were former division vice presidents and zone general managers and both will relocate to the company's San Diego headquarters office and will report to Nugent.

Meanwhile, Jack in the Box's 39-unit test of the new Monterey Jack's name continues at six units in Albuquerque, N.M.; at three in Beaumont, Tex., and at all 30 units in the Seattle area. The New Mexico-Texas tests began Oct. 8; the Seattle tests began a month later.

Foodmaker lifted and retained the Monterey Jack's name from some of the dinnerhouses in its Continental Restaurant Systems division, before selling the division to Denver-based Vicorp a year ago.

PRESIDENT GOODALL has indicated a decision to expand the name change could be made later this month, but could be deferred until midyear.

Jack in the Box's efforts to shift its marketing away from the declining youth market to an adult specialty sandwich market have resulted in explosive profit growth. Such introductions as croissant breakfast sandwiches, chefs salads, pita pocket sandwiches and dinner-in-the-box entrees have helped boost operating profit for Ralston Purina's restaurant division—now made up entirely of Jack in the Box—from $36 million in 1980 to $61.4 million in fiscal 1984. Operating profit as a percentage of sales soared from 7.5% to nearly 10% over the same period.

Average annual sales per unit were $753,000 last year, up nearly 8% from 1983, for an annual total of about $600 million. Jack in the Box contributed about 12% of both sales and operating profit for $5 billion Ralston Purina last year.

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NRN Index rises 2.9 points in broad market rally

(Continued from page 74)

gan debate on the Federal budget. The 19-day stretch of a positive advance-decline ratio ended on Friday, Feb. 1.

Measured from a year ago when the DJIA stood at 1211.57, the *NRN* Stock Index has outperformed the leading market barometer by about 6%.

Leading the charge for the restaurant stocks was Victoria Stations, which gained 75¢.

Kelly-Johnston was the leading loser of the week, giving up 25¢, to $1.13.

Peoples Restaurants, the third-leading loser of the week, showed the heaviest volume surge. Peoples lost 6¢, to 38¢, as 2.6 million shares, or 30% of its outstanding common, traded hands.

The four lows were found by Fresher Cooker, unchanged at $3.88, Max & Erma's which closed at $2.75 after touching $2.50, Rax Restaurants, which ended the week at $8.75 after rising off of $8, and TGIF Texas, at $2.25.

McDonald's hit a midweek $59.25, which was a yearlong record high, and then backtracked 63¢ to $57.50.

Primo Inc. was the second biggest price winner of the week, gaining 63¢, to $3.50. GD Ritzy's, which touched a 52-week low the week before, recovered 50¢, to close at $3.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Peoples Rest .... M	370.6	Allegheny Bev .... M	258.9
Gen Mills .... N	362.1	Carrols Cp .... N	240.2
El Torito Rest .... N	325.4	Shoney's Inc .... M	238.0
Karcher Carl .... M	297.4	Holiday Inns .... N	222.8
Shoney's South .... M	285.7	Naugles Inc .... M	177.1

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Victoria Stations .... M	25.0	Gen Mills .... N	14.7
Primo Inc .... O	21.7	Karcher Carl .... M	10.8
Ritzys G D .... M	20.0	Rest Assoc .... A	10.4
Kapok Cp .... A	16.7	Max Erma's .... O	10.0
Amer Rest .... O	16.0	Calibre Cp .... M	10.0

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kelly-Johnston .... M	- 18.2	Maverick Rest .... O	- 12.5
Hungry Tiger .... M	- 14.9	SIS Cp .... M	- 9.5
Peoples Rest .... M	- 14.3	Consul Restaurant ... M	- 9.1
Garcias Scot .... M	- 13.5	DLites Of Amer .... O	- 8.3
Good Taco .... M	- 12.5	Fuddruckers Inc .... M	- 7.9

	Stock Market											Financial Update																	
	Price							Volume																					
	2-01-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
															New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs .... M	4.88	.00	.0	5.25	4.88	7.50	3.50	131	.37	.44	- 15.9	13.9	.00	.0	.....	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rests .... O	3.88	.00	.0	4.13	3.88	5.38	3.50	79	.32	.64	- 50.0	15.5	.00	.0	.....	fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest .... O	3.63	.50	16.0	3.88	3.25	6.00	2.38	103	.45	1.08	- 58.3	19.1	.00	.0	.....	9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts .... M	12.50	- .75	- 5.7	12.75	10.88	17.13	10.50	2,436	5.51	3.33	65.5	14.7	.12	1.0	.....	fiscal	09-34	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char .... A	2.25	- .13	- 5.3	2.63	2.25	4.63	1.75	458	.81	.93	- 12.9	1.7	.00	.0	.....	9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Benihana Natl .... M	16.13	.75	4.9	16.25	15.75	16.25	4.50	1,295	5.18	2.86	81.1	28.8	.00	.0	.....	fiscal	03-84	NC	NC	NC	NC	NC	NC	19.8	NC	1.4	NC	.56	NC
Bob Evans Farms .... M	19.25	.88	4.8	19.50	18.38	21.25	14.75	1,227	.75	.59	27.1	18.7	.30	1.6	.....	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp .... M	1.38	.13	10.0	1.50	1.00	9.00	1.00	415	1.37	.51	168.6	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Cainy Food .... M	11.25	1.00	9.8	11.50	10.50	11.50	7.25	2,794	6.16	2.60	136.9	17.9	.16	1.4	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab .... M	2.25	.13	5.9	2.25	2.00	6.13	1.38	1,617	1.41	1.86	- 24.2	NE	.00	.0	.....	9 mos.	05-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp .... N	11.13	1.00	9.9	11.50	10.00	11.50	7.13	2,562	3.30	.97	240.2	15.9	.07	.6	.....	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's .... M	11.50	- .63	- 5.2	11.75	10.75	19.50	10.00	10,890	4.05	4.89	- 17.2	17.2	.00	.0	.....	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chili's inc .... M	25.63	1.38	5.7	25.63	23.88	25.63	12.75	1,282	2.85	2.98	- 4.4	37.7	.00	.0	NEW	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch .... N	33.75	- .13	- .4	34.50	33.13	34.63	21.25	2,093	1.11	1.90	- 41.6	17.6	.80	2.4	.....	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods .... N	18.88	- .25	- 1.3	19.63	18.50	19.63	9.91	1,167	1.34	1.51	- 11.3	14.7	.16	.8	.....	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev .... O	9.50	.00	.0	10.13	9.25	17.69	5.75	871	1.68	2.04	- 17.6	18.3	.00a	.0	.....	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts .... M	5.13	.13	2.5	5.13	5.00	8.75	4.75	173	.49	.36	36.1	14.6	.00	.0		fiscal	09-84	16.4	8.6	.6	20.0	.16	45.5	67.8	6.9	1.3	.0	.35	20.7
Consul Restaurant .... M	5.00	- .50	- 9.1	5.25	4.75	13.88	4.50	1,519	3.37	2.71	24.4	83.3	.00	.0	.....	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel .... M	15.50	.00	.0	16.00	15.50	23.50	11.75	412	1.16	1.05	10.5	16.5	.14	.9	.....	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc .... O	4.00	.25	6.7	4.75	3.75	4.75	2.75	105	.93	.79	17.7	21.1	.00	.0	.....	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Diversifoods .... M	9.75	.38	4.0	9.88	8.88	16.75	8.00	12,366	3.69	7.56	- 51.2	10.7	.34	3.5	.....	9 mos.	09-84	148.8	16.0	7.0	- 26.3	.21	- 25.0	420.7	17.1	22.2	- 9.8	.66	- 10.8
DLites Of Amer .... O	12.50	- 1.13	- 8.3	13.13	12.50	15.50	11.50	2,394	4.90	2.96	65.5	NM	.00	.0	.....	6 mos.	09-84	2.3	53.3	.1	.0	.04	100.0	4.7	62.1	.1	.0	.05	25.0
Dunkin Donuts .... M	25.50	.63	2.5	25.75	24.25	26.25	18.13	1,460	3.07	1.47	108.8	13.6	.32	1.3	.....	fiscal	10-84	23.9	18.3	2.1	10.5	.43	16.2	90.3	16.5	9.1	15.2	1.87	15.4
El Chico .... M	8.88	- .50	- 5.3	9.25	8.75	11.00	7.25	290	.62	.94	- 34.0	11.2	.00	.0	.....	6 mos.	11-84	20.1	4.7	.9	.0	.19	- 5.0	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest .... N	13.75	.88	6.8	14.00	12.75	14.63	9.00	2,776	2.51	.59	325.4	14.9	.00	.0	.....	9 mos.	09-84	65.9	17.3	4.1	17.1	.35	25.0	189.0	20.5	9.0	32.4	.78	44.4
Fast Food Oper .... O	.94	.06	7.1	1.00	0.88	1.88	.69	445	.75	1.08	- 30.6	15.6	.00	.0	.....	fiscal	12-83	1.6	33.3	.1	.0	.02	.0	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes .... M	6.50	.50	8.3	6.75	5.88	9.13	5.00	1,931	2.77	1.84	50.5	NE	.00	.0	.....	9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker .... O	3.88	.00	.0	4.13	3.88	6.75	3.88	100	.59	.41	43.9	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's .... A	19.88	.88	4.6	20.00	19.00	20.00	12.00	97	.22	.19	15.8	17.1	.22	1.1		6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc .... M	11.63	- 1.00	- 7.9	12.25	11.50	16.25	8.50	1,977	3.04	2.98	2.0	NM	.00	.0	.....	9 mos.	09-84	7.2	188.0	.6	500.0	.09	350.0	16.9	125.3	.0	- 100.0	.00	- 100.0
Garcias Scot .... M	2.81	- .44	- 13.5	3.31	2.81	6.75	1.63	1,935	3.23	3.07	5.2	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco .... M	.44	- .06	- 12.5	0.50	0.31	5.88	.25	665	2.24	2.70	- 17.0	NE	.00	.0	.....	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet .... O	13.75	.00	.0	14.75	13.75	13.75	9.75	1	.01	.17	- 94.1	11.9	.00	.0	.....	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger .... M	5.00	- .88	- 14.9	5.50	4.88	8.50	3.63	937	3.25	1.54	111.0	26.3	.00	.0		3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen .... O	45.50	3.00	7.1	47.00	43.00	45.50	32.50	48	.24	.16	50.0	12.7	.00	.0	NEW	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab .... M	19.50	.00	.0	20.25	19.50	20.25	11.38	1,690	5.93	2.72	118.0	14.7	.00a	.0		3 mos.	09-84	19.2	6.7	1.1	37.5	.36	20.0	19.2	6.7	1.1	37.5	.36	20.0
JB's Rest .... M	17.13	.13	.7	17.13	16.75	17.13	10.38	861	3.71	1.89	96.3	13.8	.20	1.2	NEW	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc .... M	18.25	.50	2.8	18.88	17.50	18.75	11.88	10,390	6.58	3.23	103.7	13.3	.12	.7	NEW	6 mos.	12-84	123.4	9.4	4.1	32.3	.27	35.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp .... A	2.63	.38	16.7	2.88	2.25	5.13	1.13	135	.60	2.03	- 70.4	NE	.00	.0	.....	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NE	12.3	7.9	(2.7)	NE	(1.29)	NE
Karcher Carl .... M	18.00	1.75	10.8	19.00	16.25	29.63	13.50	8,495	12.04	3.03	297.4	11.1	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.50	8.7	178.8	19.5	6.9	3.0	.98	7.7
Kelly-Johnston .... M	1.13	- .25	- 18.2	1.31	1.00	12.00	.75	4,048	4.75	7.31	- 35.0	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe .... N	31.50	1.75	5.9	32.00	29.50	32.00	23.63	341	.28	.56	- 50.0	22.0	.54	1.7		fiscal	08-84	48.7	23.6	5.0	28.2	.41	86.4	174.9	21.4	17.4	25.2	1.43	8.3
Marcus Corp .... M	15.75	.63	4.1	15.75	15.25	15.75	11.38	273	.54	.31	74.2	10.7	.28	1.8	NEW	6 mos.	11-84	30.2	4.5	2.0	.0	.39	5.4	63.7	3.6	4.8	2.1	.94	3.3
Marriott Corp .... N	81.75	.75	.9	83.50	80.50	83.50	58.50	2,192	.85	.66	28.8	18.1	.54	.7	.....	9 mos.	09-84	834.2	11.7	35.6	- 2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41	12.2
Maverick Rest .... O	2.63	- .38	- 12.5	2.88	2.50	6.25	2.25	349	.70	.69	1.4	15.4	.00	.0	.....	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's .... O	2.75	.25	10.0	3.00	2.50	6.88	2.50	62	.36	.72	- 50.0	NE	.00	.0	.....	fiscal	10-83	NC	NC	NC	NC	NC	NC	15.9	28.2	(.3)	- 100.0	(.26)	- 100.0
McDonald's Cp .... N	57.50	- .63	- 1.1	59.25	56.25	59.25	40.84	11,563	1.33	1.06	25.5	13.4	.82	1.4	NEW	9 mos.	09-84	784.8	- 4.1	114.3	13.6	1.30	16.1	2395.1	7.6	297.9	13.4	3.37	15.4
Morrison Inc .... M	17.88	.13	.7	18.13	17.50	18.38	13.13	2,526	1.84	1.26	46.0	11.5	.48	2.7	.....	6 mos.	11-84	120.2	7.1	5.3	6.0	.39	8.3	238.1	6.4	10.2	8.5	.75	11.9
Mr Steak .... O	2.50	.13	5.3	2.63	2.38	3.25	1.13	357	.74	1.15	- 35.7	NE	.00	.0		fiscal	09-84	16.6	5.1	(1.4)	NE	(.30)	NE	66.4	5.1	(1.9)	NE	(.41)	NE
Nankin Express .... O	1.75	.13	7.7	2.00	1.63	2.75	1.00	315	1.41	1.20	17.5	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans .... O	3.63	- .25	- 6.5	4.00	3.63	4.50	1.78	270	1.21	1.71	- 29.2	12.5	.00a	.0	.....	6 mos.	09-84	6.1	1.7	.4	.0	.18	20.0	12.2	7.0	.8	33.3	.36	38.5
Natl Pizza .... O	8.00	.00	.0	8.50	8.00	9.75	7.50	91	.17	.21	- 19.0	10.5	.00	.0	.....	6 mos.	09-84	10.4	8.3	.9	- 18.2	.19	- 17.4	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc .... M	6.38	- .13	- 1.9	7.00	6.00	15.25	4.88	5,277	11.36	4.10	177.1	NE	.00	.0	.....	3 mos.	09-84	38.3	11.0	.4	- 66.7	.10	- 60.0	38.3	11.0	.4	- 66.7	.10	- 60.0
1 Potato 2 .... O	2.88	.13	4.5	3.00	2.88	12.25	1.88	995	4.54	1.81	150.8	57.5	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

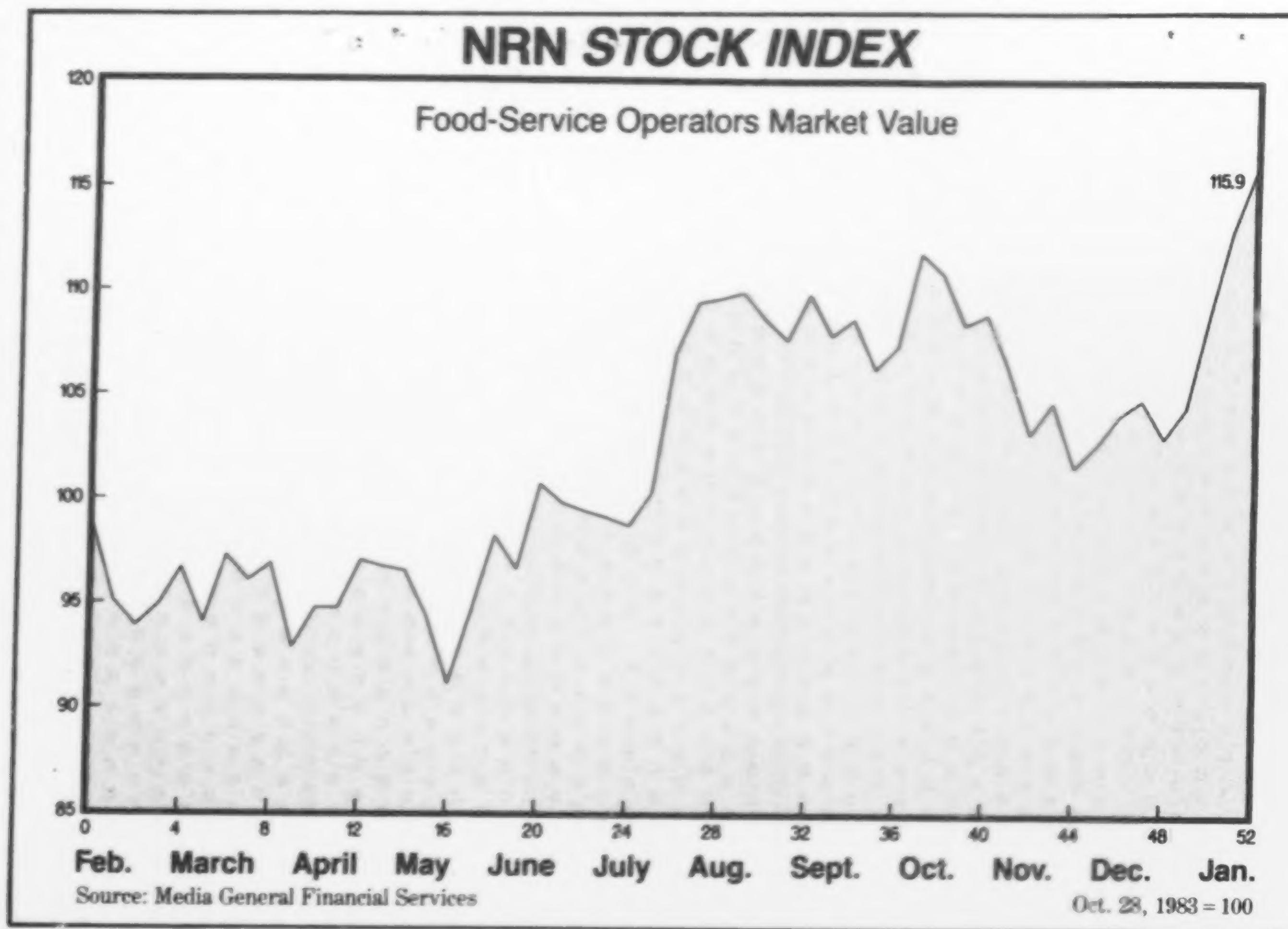
General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

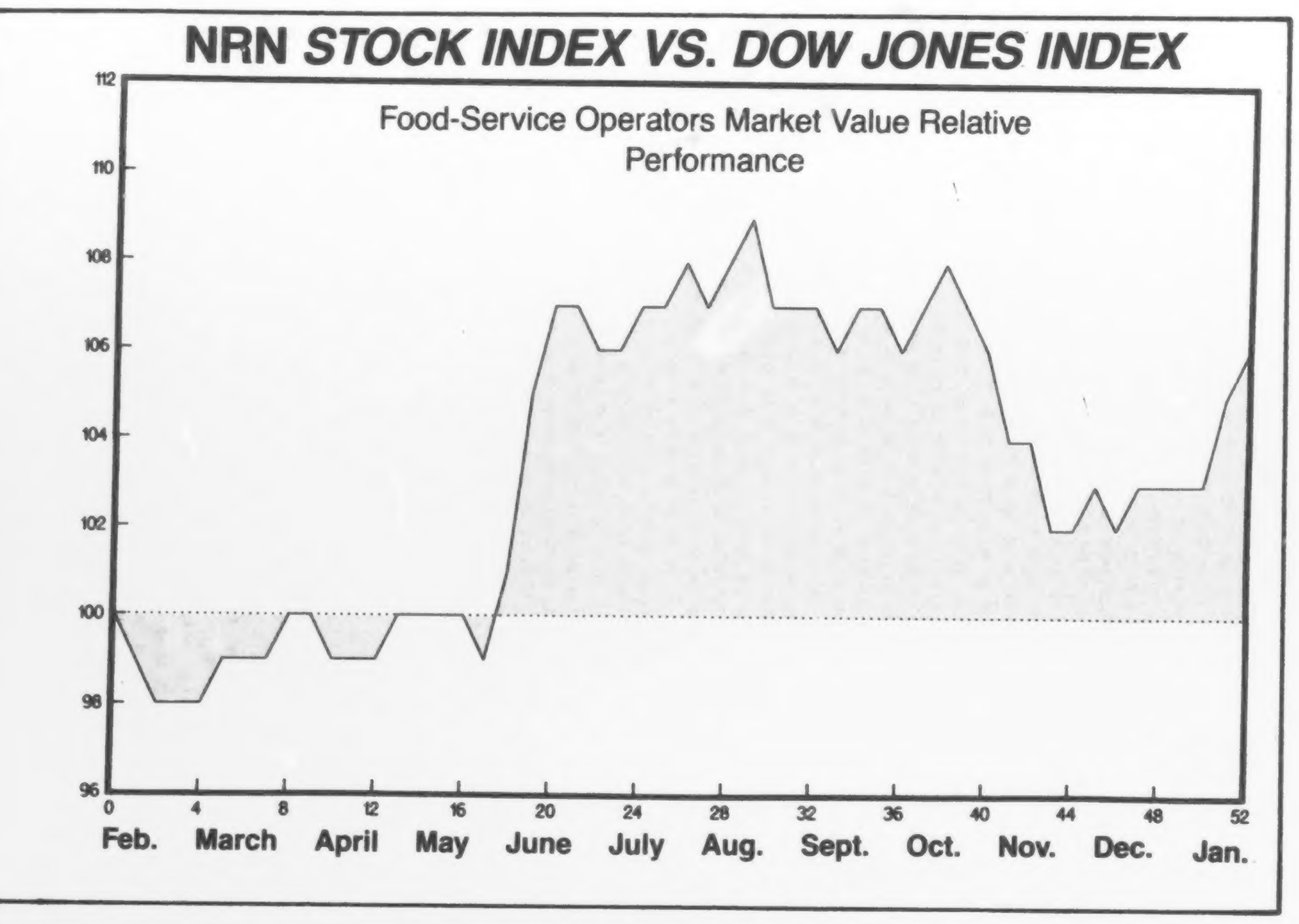
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219


NRN STOCK INDEX

Source: Media General Financial Services
Oct. 28, 1983 = 100


NRN STOCK INDEX VS. DOW JONES INDEX

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	2-01-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd .... O	4.75	.00	.0	5.50	4.75	7.00	4.00	80	.57	.48	18.8	9.3	.00	.0	.....	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet ...... M	7.50	- .25	- 3.2	7.88	7.50	8.25	5.88	229	.81	.92	- 12.0	13.6	.13	1.7	.....	fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest .... M	.38	- .06	- 14.3	0.50	0.31	5.63	.25	26,104	30.40	6.46	370.6	NE	.00	.0	.....	fiscal	06-84	NC	NC	(27.6)	- 100.0	(3.30)	- 100.0	30.6	12.1	(29.6)	- 100.0	(3.54)	- 100.0
Piccadilly Caf .... M	23.00	.75	3.4	23.38	22.00	24.25	15.00	972	1.61	1.06	51.9	13.3	.60	2.6	NEW	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn .... A	9.00	- .50	- 5.3	9.50	8.63	12.75	6.88	243	.80	1.15	- 30.4	8.7	.08	.9	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks .... M	12.13	.38	3.2	12.38	11.63	16.63	8.75	424	.96	.88	9.1	16.2	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys .... N	13.25	- 1.00	- 7.0	14.88	13.00	22.88	11.50	2,461	2.57	3.67	- 30.0	7.7	.40	3.0	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc .... O	3.50	.63	21.7	3.63	3.25	7.00	2.38	625	1.85	1.37	35.0	NE	.00	.0		fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants .... M	8.75	.50	6.1	8.75	8.00	17.75	8.00	1,467	2.32	1.58	46.8	12.9	.00	.0	.....	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc .... A	6.63	.63	10.4	7.00	5.88	8.88	5.38	329	1.18	1.51	- 21.9	9.3	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys .... M	13.75	.75	5.8	14.25	13.00	14.25	9.00	248	1.07	.81	32.1	16.2	.00	.0	.....	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	23.6
Ritzys G D .... M	3.00	.50	20.0	3.50	2.50	9.00	1.75	1,728	3.33	1.59	109.4	NE	.00	.0	.....	9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican .... M	12.88	.13	1.0	12.88	12.63	18.25	11.00	299	1.08	2.93	- 63.1	15.0	.00	.0	NEW	3 mos.	10-84	10.6	37.7	.3	50.0	.14	7.7	10.6	37.7	.3	50.0	.14	7.7
Ryans Fam Steak .... M	25.13	1.88	8.1	26.00	23.00	25.88	15.50	1,608	3.73	2.50	49.2	32.6	.00	.0	NEW	fiscal	12-84	9.3	66.1	1.0	42.9	.24	50.0	32.0	66.7	3.3	57.1	.77	48.1
Saga Corp .... N	33.00	1.00	3.1	34.25	31.75	35.50	25.00	3,659	2.80	1.36	105.9	12.9	.44	1.3	NEW	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef .... M	8.25	.00	.0	8.50	8.25	11.75	6.75	57	.44	.72	- 38.9	14.2	.00	.0	.....	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1
Sea Galley .... M	7.38	- .38	- 4.8	7.75	7.25	11.00	6.50	2,036	5.18	3.21	61.4	5.2	.00	.0	.....	9 mos.	09-84	15.7	- 14.2	3.0	900.0	.76	1420.0	48.3	- 11.9	5.3	657.1	1.35	694.1
Shoney's Inc .... M	27.00	- .25	- .9	27.50	26.25	27.75	15.00	8,596	3.11	.92	238.0	26.0	.15	.6	.....	9 mos.	07-84	117.8	24.9	8.2	26.2	.30	30.4	360.0	22.4	21.9	28.1	.80	25.0
Shoney's South .... M	15.75	.38	5.9	15.75	14.88	16.59	11.00	1,664	2.97	.77	285.7	13.3	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	23.5
SIS Cp .... M	4.75	- .50	- 9.5	5.25	4.50	8.75	3.25	146	.94	1.01	- 6.9	33.9	.00	.0	.....	fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	1300.0
Sizzler Rest Intl .... M	19.00	1.25	7.0	19.50	18.00	19.25	8.75	923	1.36	.56	142.9	15.2	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers .... M	11.88	.13	1.1	12.13	11.50	12.13	8.00	550	2.02	1.35	49.6	14.5	.06	.5	.....	9 mos.	09-84	14.5	25.0	.5	25.0	.18	20.0	42.3	25.1	1.6	14.3	.60	1.7
So Hospitality .... M	4.63	.25	5.7	4.63	4.25	5.00	3.75	1,585	3.31	1.55	113.5	13.2	.00	.0		6 mos.	11-84	10.3	18.4	.4	33.3	.08	14.3	21.0	25.7	.8	33.3	.16	14.3
Taco Viva .... M	9.50	.50	5.6	9.50	9.00	9.50	7.00	353	1.54	.87	77.0	20.7	.00	.0	.....	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's .... N	10.50	- .75	- 6.7	11.50	10.38	13.13	7.88	893	.78	1.13	- 31.0	17.8	.00	.0	.....	9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas .... O	2.25	.00	.0	2.75	2.25	5.50	2.25	15	.10	.28	- 64.3	NE	.00	.0	.....	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld .... N	33.00	.50	1.5	34.25	32.50	34.25	23.63	6,177	1.89	2.17	- 12.9	10.5	.40	1.2		fiscal	12-84	522.9	3.0	29.5	95.4	.75	- 83.9	2002.0	6.0	115.0	91.0	3.14	141.5
USACafes .... M	3.88	.13	3.3	3.88	3.63	5.00	2.75	536	1.05	.40	162.5	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants .... M	18.50	- .88	- 4.5	19.00	18.13	20.75	13.25	955	1.44	2.85	- 49.5	14.0	.12	.6	.....	fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations .... M	3.75	.75	25.0	3.75	2.75	8.00	2.13	3,178	8.98	4.86	84.0	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl .... N	18.88	.13	.7	18.88	18.00	20.50	13.13	10,447	1.92	1.64	17.1	15.7	.28	1.5	.....	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Sizzlr .... O	9.50	- .50	- 5.0	11.00	9.50	12.00	9.00	69	.57	.49	16.3	16.7	.20	2.1	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp .... N	6.38	- .38	- 5.6	7.00	6.38	13.38	5.13	314	.72	2.28	- 68.4	13.0	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 31.8
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	3.50	.13	3.7	3.75	3.25	6.75	2.63	2,290	1.74	1.37	27.0	NE	.10	2.9	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(29.4)	NE	(2.00)	NE
Hilton Hotels .... N	58.63	1.00	1.7	58.88	56.88	58.88	45.50	1,143	.44	.87	- 49.4	23.5	1.80	3.1	.....	9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	- 44.3	504.9	3.1	68.0	- 22.3	2.56	- 21.5
Holiday Inns .... N	48.75	1.00	2.1	49.00	47.50	49.00	35.25	46,218	12.91	4.00	222.8	14.3	.90	1.8	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn .... N	30.75	1.38	4.7	31.38	28.13	31.38	16.00	3,113	2.15	1.09	97.2	25.6	.12	.4	.....	fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	21.2
Ramada Inns .... N	7.38	.63	9.3	7.88	6.75	8.75	5.13	18,368	4.94	2.18	126.6	24.6	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc .... M	18.00	.63	3.6	18.00	16.50	22.28	12.28	103	.30	.59	- 49.2	8.5	.00a	.0		9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl .... O	21.00	.00	.0	23.00	21.00	21.00	17.50	11	.07	.07	.0	NE	.40	1.9		9 mos.	09-84	22.6	17.1	(.6)	- 100.0	(.38)	- 100.0	62.1	11.9	(.6)	- 100.0	(.41)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	20.25	1.25	6.6	20.25	18.88	20.25	13.50	3,508	5.85	1.63	258.9	13.3	.40	2.0	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.38	- 9.5	486.1	23.2	7.1	- 12.3	1.10	- 12.0
Ch Full O Nut .... N	8.75	- .38	- 4.1	9.38	8.75	14.56	7.63	360	.78	.85	- 8.2	NE	.48	5.5	.....	3 mos.	10-84	26.5	- 10.2	.1	- 87.5	.03	- 81.3	26.5	- 10.2	.1	- 87.5	.03	- 81.3
Disney, Walt .... N	73.50	4.00	5.8	75.13	69.38	75.13	45.25	10,912	3.24	2.41	34.4	60.2	1.20	1.6	.....	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods .... O	2.00	.13	6.7	2.25	2.00	3.75	1.13	303	1.29	.92	40.2	NM	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills .... N	55.50	7.13	14.7	55.63	48.63	60.00	41.63	36,322	8.04	1.74	362.1	13.3	2.24	4.0	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R .... N	41.63	- 1.13	- 2.6	42.75	41.38	44.50	36.50	2,686	.55	.85	- 35.3	10.4	2.80	6.7	.....	9 mos.	09-84	1658.3	10.1	33.1	17.8	.68	19.3	4897.0	9.7	136.5	34.2	2.80	35.3
Horn & Hardart .... A	10.75	- .88	- 7.5	12.00	10.50	21.19	8.63	3,371	2.72	1.82	49.5	12.5	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 31.9
Ogden Corp .... N	29.75	1.00	3.5	31.75	28.75	31.75	24.13	2,448	1.29	.76	69.7	13.5	1.80b	6.1	.....	9 mos.	09-84	512.8	23.7	8.2	- 44.6	.46	- 38.7	1612.4	28.5	31.4	- 23.0	1.63	- 21.3
PepsiCo Inc .... N	42.75	- 1.00	- 2.3	44.13	42.00	45.75	34.50	19,318	2.06	1.20	71.7	12.5	1.68	3.9	.....	9 mos.	09-84	1934.3	8.0	108.6	14.2	1.14	14.0	5425.9	13.3	247.6	19.7	2.61	19.2
Pillsbury Co .... N	42.38	2.88	7.3	43.25	39.25	45.75	33.00	6,839	1.58	.96	64.6	10.6	1.56	3.7	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France .... M	13.13	.75	6.1	13.50	12.25	15.25	10.50	1,097	1.01	.75	34.7	21.5	.23	1.8	NEW	6 mos.	12-84	15.5	26.0	1.6	33.3	.14	16.7	29.7	22.7	3.0	25.0	.27	12.5

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

'Gourmet' burger concept leads to broiling debate

By Rick Telberg
Financial Editor

Few topics have so sharply divided opinion in the restaurant industry as the so-called gourmet hamburger concept. These heavy-hamburger operations have shot to prominence by catering to a baby-boom generation seeking more than just fast food.

"The segment has developed so fast and the shakeout seems so imminent that people feel compelled to take sides in support of one company or another on the theory that there isn't room for all of them to prosper," said one securities analyst who didn't want to be named psychoanalyzing his cohorts.

Chili's, Flakey Jake's and Fuddruckers have attracted the most attention as the only three stock market plays in a segment so loosely defined it obscures the fact Chili's is a full-service operation earning 20% of its sales from the bar and Fuddrucker's is a spartan, self-service format.

But much of the segment's fire has been fanned by companies who are tinkering with the concept, sometimes as a sideline.

They include Saga Corp., which owns Spoon's; W. R. Grace & Co.'s T. J. Applebee's, Victoria Station's Bonkers; Beefsteak Charlie's Daly's Dandelion; Pillsbury's J. J. Muggs; Magic Pan's Laredo; Pizza Inns' J. T. McCord's, and Diversifoods' Moxie's.

Two others, Red Robin and Round the Corner, are privately held. And publicly held Hamburger Hamlet, which has been around for 35 years, lacks the luster of high growth potential to attract attention.

The most strongly held views often center on Fuddruckers, which in many ways was the progenitor of the no-frills big burger and which remains its most devout adherent.

San Antonio-based Fuddruckers went public at $7 per share in November 1983 and quickly shot up to $14 in the retail stock-selling market while Wall Street's heavy-hitting braintrusts and money-runners looked on in amazement. Today there are about 50 outlets, but no earnings to speak of supporting its recent $12 stock price.

Sea Galley Stores, a seafood dinnerhouse operator, spun off Flakey Jake's of Kirkland, Wash., as a public company in September 1983 at $2 per share to Sea Galley holders. Today there are about 20 outlets, no earnings and a stock price of about $6. Flakey Jake's has broadened Fuddrucker's original concept to attract children and families.

Dallas-based Chili's went public at $15 per share in January 1984. Today there are about 40 restaurants, and earnings in the latest six months of 41¢ per share while the stock trades at about $24. Chili's, the most elaborate operation of the three, has been described as a scaled-down Bennigan's.

Ben Crabtree at Dain Bosworth in Minneapolis is a Fuddrucker's fan. "Chili's is a burger-based T.G.I. Friday's and it has broader appeal than Fuddrucker's. But it is less unique than Fuddrucker's," Crabtree said.

"Flakey Jake's is a cross between a Fuddrucker's and a Farrell's ice cream parlour," he added, but that also makes it more complex to manage.

"Fuddrucker's serves barebones burgers in a noisy warehouse," Crabtree said. "But there is nothing there but the product. You see the meat being carved and chopped, and you know what you're getting. The consumer image is crystal clear."

"We prefer Chili's," said Margaret Preston at Alex. Brown & Sons in Baltimore.

"For a company its size, the management is unparalleled," Preston said, referring to a team led by Norman Brinker, who founded Steak & Ale and was a chief executive of Burger King and Bennigan's before spiriting much of Bennigan's top management to Chili's.

"You can't help but be impressed by the Flakey Jake's management team and the franchisees it's attracted," said Roger Lipton of Ladenburg Thalmann in New York.

At the top of Flakey Jake's team sits Robert Luckey, once head of Burger King franchisee Chart House, and for a few short and stormy months, Sambo's chief. Frank Carney, Pizza Hut's founder, is a prominent Flakey Jake's licensee.

"For my money," Crabtree said, "I like people at the top who are attuned to financial and operational controls." Marno McDermott, founder of Chi-Chi's Mexican dinnerhouses, is Fuddrucker's chairman and William Baumhauer, an accountant, recently succeeded founder Philip Romano as president.

Aside from the quality of management and attempts to mind-read the American consumer's tastes, each analyst offers hard financial data such as sales trends, development patterns, franchise networks, operating margins and sales-to-investment ratios to bolster their arguments.

But, when pressed, each adds that it is simply too early to tell which company will succeed and which will fail.

"It takes a leap of faith to buy any of these stocks," said Charles Glovsky at Eppler Guerin & Turner in Dallas.

* * *

STOCK-PICKERS' PICKS: James Waggoner, who after years of covering a number of other industries has become the restaurant watcher at Bear Stearns & Co. in New York, offers a first impression: "I've never seen an industry where management was so critical to success, and at the same time was so transient."

Las Vegas strike dampens Hilton's year-end net gain

By Peter Romeo

BEVERLY HILLS, Calif. — With its gaming sales dampened by the prolonged Las Vegas strike, Hilton Hotels reported a net profit for the fiscal year ended Dec. 31 of $114 million, up a scant 1.2% from the previous year.

Revenues remained relatively flat, at $686.6 million, according to the company.

That leveling off came despite a 6.7% increase in hotel operating profit, to $107.8 million. Occupancy rates rose by four percentage points, for a chainwide average of 64%.

Gaming sales, in contrast, rose by only 1.6%, to $69.7 million. Hilton's two Las Vegas properties, which have a combined room total of over 5,400 units, were among the hotel-casinos affected by a long strike in that city.

The damage was offset by a $17.9 million gain from the sale of property and securities, including Hilton's 660,000 shares of Avco Corp. stock.

Avco is involved in real estate development through a subsidiary, Avco Community Developers Inc.

Hilton's 1984 profit also reflected the sale of major properties during the third quarter of 1983, the company said.

Hilton expects to boost its earnings this year through the opening of a new hotel-casino in Atlantic City. A gaming property is also under development in Queensland, Australia.

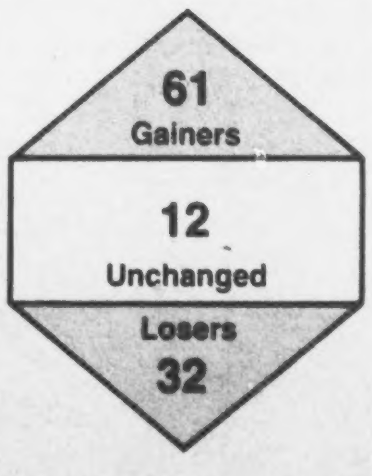
Hilton is continuing the rollout of its new overseas lodging chain, Conrad International Hotels.

WALL STREET UPDATE

Index up 2.9 to 115.9; winners top losers 2-1

NEW YORK — Powered by a broad market rally which saw winning issues outnumber losing issues for a record 19 straight trading days, the *Nation's Restaurant News* Stock Index jumped 2.9 points to close at a record 115.9 on Friday, Feb. 1.

The 2.9-point climb in the *NRN* 87-issue market-value gauge of food-service operators continued a four-week string of advances, reaching its highest point since creation in October 1983.



Stocks advancing in price outpaced losers on the broader, 105-issue *NRN* listing 2 to 1, with 61 up, 32 down and 12 unchanged.

Seventeen food-service issues hit yearlong highs and 4 sunk to lows.

Meanwhile the Dow Jones Industrials Average closed at 1277.72, up 1.66 points. Analysts said February might mark a period of consolidation for the market as Congress be-

(See INDEX, page 72)

Transworld net rises 91% after tax cut

NEW YORK — Transworld Corp. parlayed a 5% year-to-year rise in revenue into a 91% climb in net profit by dramatically slashing its tax rate for fiscal 1984.

The combination of $116 million in tax credits from the divestiture of Transworld Airlines during the year and $136 million in net operating loss carryforwards chopped Transworld's tax rate by more than half, from about 48% to 22%, according to spokesman Coleman Sullivan. The company paid $27 million to the airline for the tax credits, which were set to expire at year's end.

Net profit for the year—the first annual reporting period following the TWA spinoff—was $115 million, on revenue of $2 billion.

Food service was the company's biggest gainer for the year. Contract feeder Canteen Corp. posted a 24.1% rise in pretax profit to $34.3 million. Spartan's profit grew 20%, to $58.4 million.

Hilton International's profit rose 16.6%, to $50.3 million.

Hilton is set to open a major property at the Marina area in Atlantic City in May, and another in Queensland, Australia on the Gold Coast around June.

Transworld also owns Century 21.

Jerrico's quarterly net up 32%

LEXINGTON, Ky. — Jerrico Inc. parlayed a 7% year-to-year revenue gain in the second quarter ended Dec. 31 into a 32% earnings advance as store-level sales gains widened margins, the company said.

The company, which operates 818 of 1,359 Long John Silver Seafood Shoppes and franchises the rest, rang up second-quarter net profit of $4.1 million on revenue of $123.3 million.

So far this fiscal year—a year in which the company has said it expects 20% earnings growth after more than two years of poor comparisons—Jerrico has netted $10.4 million, up 15% from last year's midpoint. Six-month revenue rose 6% to $255.3 million.

Average sales for company-owned Long John's in the second quarter were $113,700, up 7% from last year's second quarter, and marking the fourth quarter in a row of price-adjusted sales gains, the company said.

Store-level pretax earnings grew 21% to $17,300, Jerrico said, a result of reduced couponing and discounting.

Correction

A chart concerning the financial performance of Po Folks Inc. substantially understated the company's net profit and incorrectly indicated the company had reported a net loss in the latest quarter. In fact, over the past five quarters, from the first quarter of fiscal 1984 through the first quarter of fiscal 1985, Po Folks' net profit was as follows: $798,000; $202,000; $1.29 million; $1 million, and $642,000, respectively.

C5150-5

American Marketplace profile: Downtown Baltimore prospers —Pages 3, 10-12

Pierre hotel boosts efficiency with new streamlined kitchen —Focus/F19

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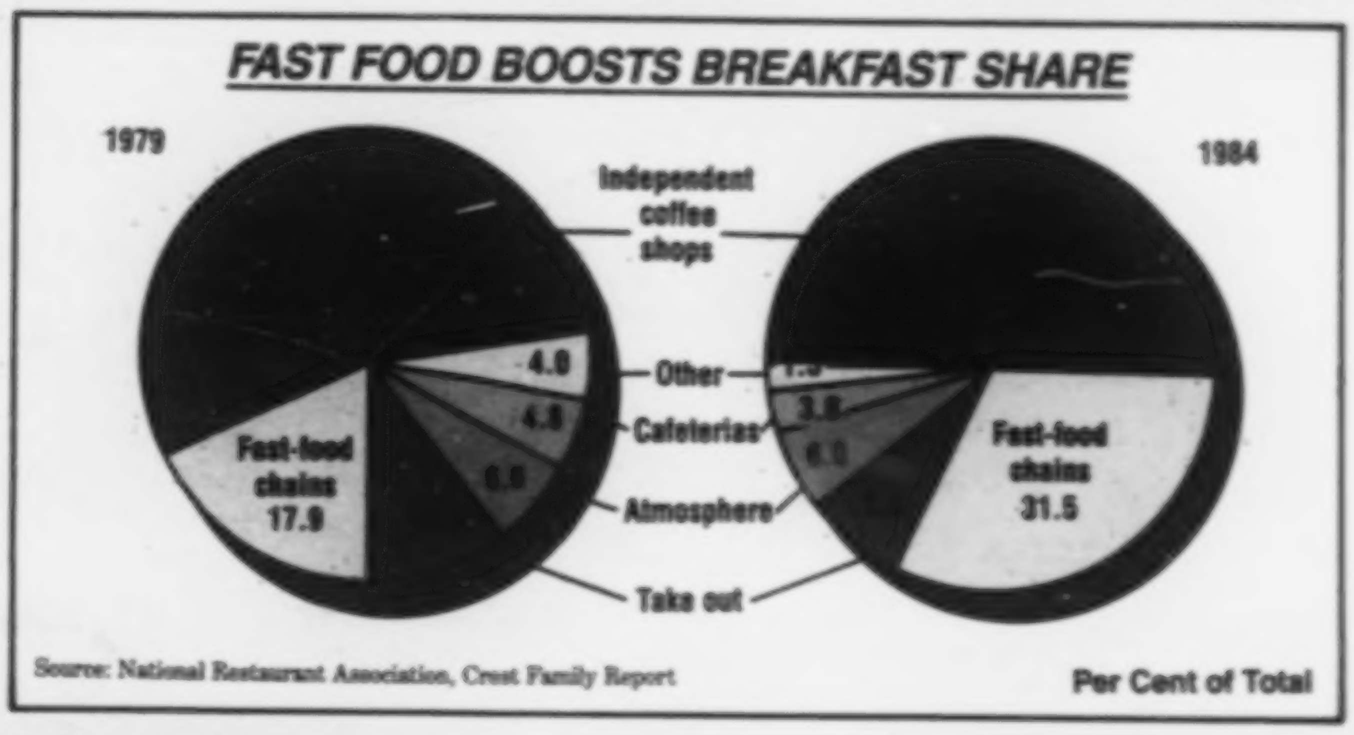
Breakfast market war accelerates



Source: National Restaurant Association, Crest Family Report

Fast feeders gain on coffee shops

By Rick Telberg
Financial Editor

Evidence is mounting that coffee shops are steadily losing their crucial slice of the breakfast market to an intensifying onslaught from fast-food chains which are teaching Americans to eat one-handed while driving to work. *(Focus coverage of industry-wide breakfast trends, pages F3-F10)*

Despite late-arriving profits, fast-food chains from 1979 through 1984 strengthened their grip on the morning meal market from 17.9% of all restaurant breakfast traffic to 31.5%, according to the latest data available from the National Restaurant Association.

The data suggests that fast food's gains came at the expense of independently owned coffee shops while chain-owned family restaurants barely held their own.

Independent coffee shops watched their share of the breakfast business slip to 14.9% from 20.7% in the latest five years. Chain-owned family restaurants eked out a 0.3 percentage point gain to 35.8% of the market.

*(See **BREAKFAST**, page F3)*

Houston's vies for leadership

By Peter Romeo

ATLANTA — With estimated annual per-unit sales far exceeding $3 million, Houston's is fast emerging as one of the most successful casual theme restaurant chains presently in operation.

The little-known chain was founded 10 years ago by former Steak & Ale executives George Beall and Vic Branstetter. Since that time, their privately held company has purposely kept a low profile, refusing to tout its merits to the press, the public or its industry peers.

Yet the success of Houston's 12 restaurants have made them much-talked-about hot-spots

*(See **HOUSTON'S**, page 107)*

Rick's
BEEF & ALE

Although Atlantic City is host to 82,000 visitors daily, few leave the casinos.

Independents suffer in Atlantic City boom

By Peter Romeo

ATLANTIC CITY — An alarming number of independent restaurants here have been forced to close since the arrival of casino gambling in 1978.

Independent operators still in business place the blame on stiff competition from casino-hotel restaurants, and the displacement of the family vacationers who were once the mainstay of their businesses.

Ironically, the closings come at a time when Atlantic City has never been busier. The seaside resort hosts an average of 82,000 people every day. Collectively, these customers spend an estimated $3 billion annually.

"But it's no longer a family resort. Now it's a gambling town," said Laura O'Brien, manager of Mama Mott's.

"The casinos bring in 75,000 people a day. We may get 15 of them."

*(See **ATLANTIC CITY**, page 107)*

INSIDE NRN

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Big Boy pulls together

Frisch's, J. B.'s returning to Marriott Corp.'s fold

By David Zuckerman

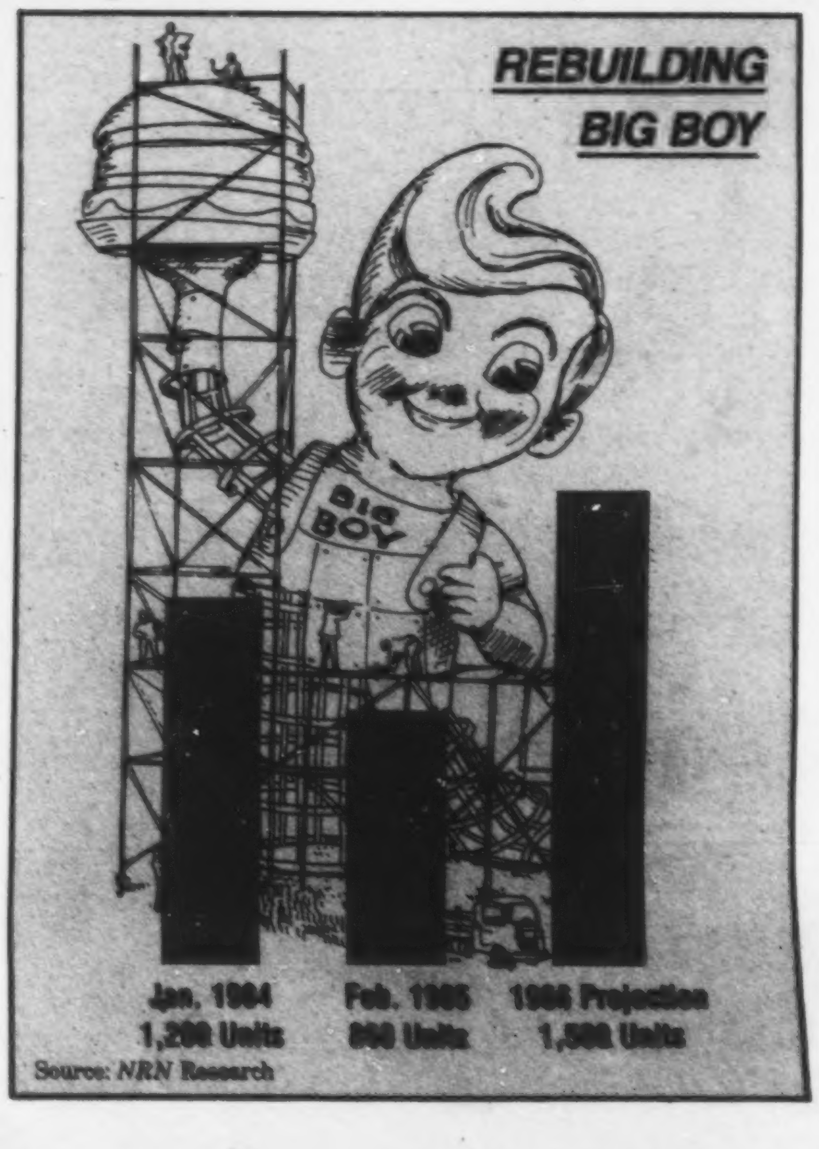
WASHINGTON — Despite the defection of two major franchisees and a series of court battles involving others, Marriott Corp. has made giant strides in molding its scattered 860-unit Big Boy coffee shop network into a unified national chain.

While Nashville-based Shoney' and Wheeling, W. Va.-based Elby's have opted for independence and are no longer affiliated with Marriott, Cincinnati-based Frisch's has dropped its longstanding lawsuit and Salt Lake City-based J.B.'s appears ready to return to the Big Boy fold after suing for its freedom.

At stake is the potential national leadership of the wide-open coffee shop/family restaurant segment currently dominated by Denny's. Adding to the drama are the newly forged rivalries between Big Boy and its former licensees, Shoney's and Elby's.

Interestingly, a year-long analysis of the family restaurant segment conducted by Marriott to form a cohesive marketing strategy has reignited a long-dormant interest in the Big Boy name and its cherubic signature character. Both Shoney's and Elby's—along with some other franchisees—had contended that the

*(See **MARRIOTT**, page 95)*



Source: *NRN* Research

Sea scallop supply short

Prices 'astronomical' as catches shrink

By Don Jeffrey

Atlantic sea scallops continue to be in short supply because their grounds have been overworked by fishermen lured by higher prices in recent years.

Effects of this development are being felt in restaurants throughout the nation as well as by the American seafood industry.

"Prices are astronomical," said Jack Elia, manager of the Legal Sea Foods restaurant in Cambridge, Mass. He added, "The supply is definitely not there. At one time I could pick five cases, no problem. Now I have a problem picking up three."

Since 1978, the peak year for scallop landings from Atlantic waters, the catch has declined steadily, and the trend is not expected to reverse this year. Fred Serchuk, a scientist with the National Marine Fisheries Service in Woods Hole, Mass., predicted, "I expect the landings to decline even more."

And even if the catch improves, experts say, American fishermen are not likely to benefit. A decision by the World Court last year on fishing rights in the resource-rich Georges Bank region off the Northeastern United States and Canada may favor Canadian scallopers. Their share of market is expected to increase significantly.

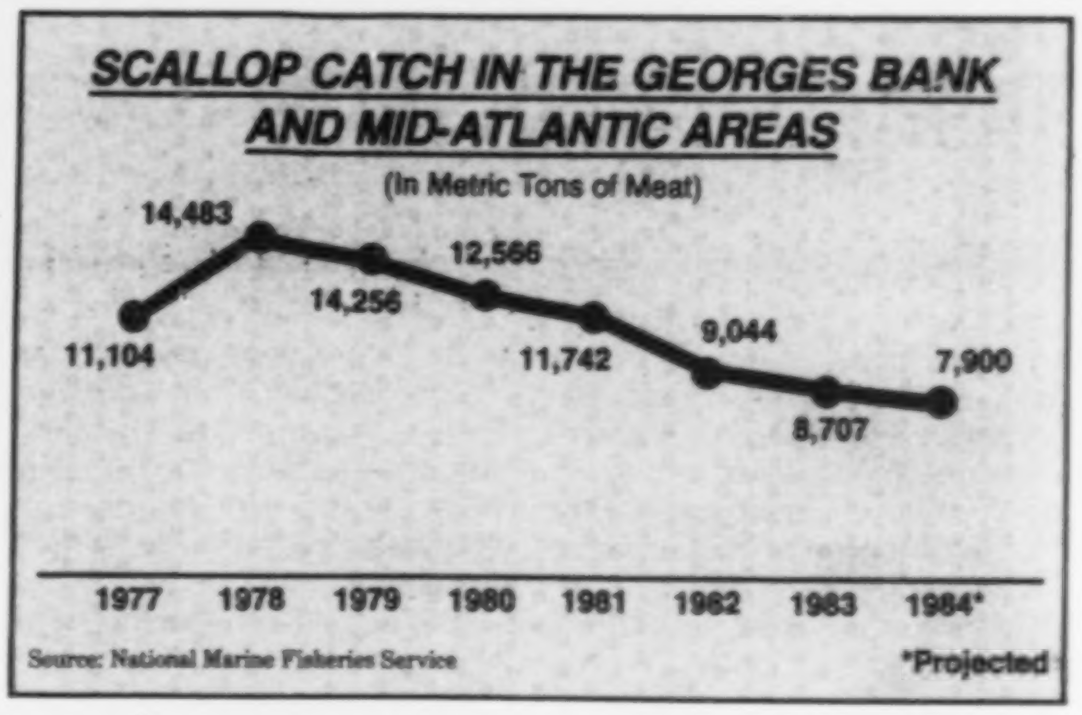
So far the crisis affects only the large sea scallops found in deeper waters such as Georges Bank. The supply of smaller and sweeter bay scallops found in coastal waters—off Cape Cod and Long Island, for example—has not been seriously threatened. Neither has the supply of small, relatively inexpensive calico scallops from Florida.

Many consumers prefer the large sea scallops, however, and to meet this demand, restaurateurs and wholesalers are paying higher prices and are turning toward suppliers from Canada, South America, Iceland and Japan.

Elia said that in less than a year his scallop costs have risen from just under $4 a pound to more than $6 a pound on some days. He charges $11.95 for a ¾-lb. scallop dinner.

On the West Coast prices are even higher. Rob Buckley, co-owner of The Shore Bird restaurant, north of San Francisco, reports paying his Ca-

(See *SCALLOP*, page 107)



Theater operator eyes dinnerhouse

By Mark Schoifet

EAST MEADOW, N.Y. — United Artists Communications Inc. (UACI), the nation's second-largest operator of movie theaters, is actively seeking a casual theme restaurant for four multiplex theater complexes scheduled to be built this year.

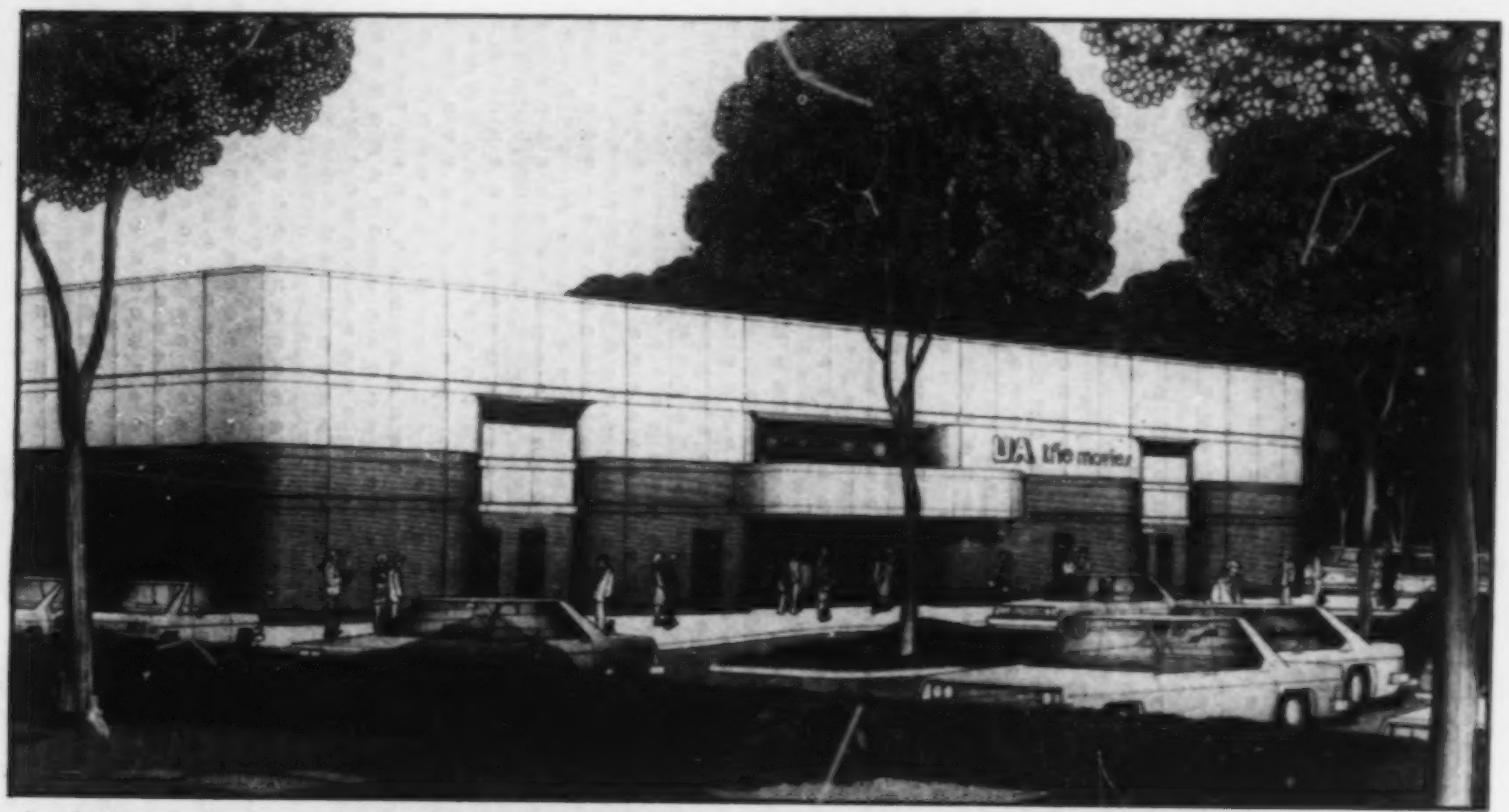
The company has been holding discussions with S & A Restaurant Corp., which operates Bennigan's and Steak & Ale, T.G.I. Friday's, Gilbert/Robinson (Houlihan's, etc.) and other chains in an effort to secure restaurant tenants for proposed multiplex sites in Patchogue, N.Y., and Lauderhill, Boynton Beach and Pinellas Park, Fla.

Although several of UACI's 1,063 movie screens are located in the restaurant wings of shopping malls, this is the first time the company is considering leasing space to a restaurant at any of its freestanding multiplex sites.

"We think it would be a good marriage," said Jerry DiGennaro, manager of the UACI project.

DiGennaro said the average

(See *THEATER*, page 95)



Artist's rendering of a typical United Artists Communications multiplex cinema. The company is looking for restaurant tenants for sites adjacent to four of its theaters.

Melman shutters 10-year-old Jonathan's Seafood

Plans to open carryout-delivery unit for Gino's East

NRN *Midwest Bureau*

CHICAGO — Richard Melman has closed the 10-year-old Jonathan's Seafood, one of the first in a series of restaurants that helped establish a national reputation for himself and his $40 million-a-year Lettuce Entertain You Enterprises.

In its place, Melman is opening a carryout-delivery operation for Gino's East, the pizzeria he manages for Collins Foods International. There are two Gino's East sitdown units in downtown Chicago and suburban Elk Grove, Ill. Collins plans to expand the concept.

Part of the former Jonathan's site will be used to expand the adjacent Lettuce Entertain You offices and to install a test kitchen for the company's 21 other restaurants, which include the highly acclaimed Ambria, a 1983 winner of *Nation's Restaurant News'* Fine Dining Hall of Fame award.

"We decided that it was imperative for us to enlarge our working area, especially with the tremendous increase we have experienced during the last year and our plans for continued growth," Melman explained.

In addition to operating his own restaurants and managing Gino's East, Melman is developing a 1950's-style diner concept called Ed Debevic's Short Orders Deluxe in conjunction with California-based Collins Foods and Phoenix-based Big 4 Restaurants.

Other Lettuce Entertain You restaurants include Bones, a barbecued ribs and chicken dinnerhouse in Lincolnwood; the fabled Pump Room in the Ambassador Hotel here; Un Grand Cafe, a Parisien-style bistro in Chicago's Lincoln Park area, and Avanzare, a northern Italian restaurant a block east of Chicago's Magnificent Mile.

Melman also plans to open a 250-seat downtown Chicago seafood restaurant called Shaw's Crab House in mid-March. Managing partner Kevin Brown calls Shaw's a "traditional" 1930's seafood house.

Already open for business is the adjoining 85-seat Blue Crab Lounge, which features a raw bar and a limited menu.

Harborplace spurs Baltimore's boom

By Ken Frydman

BALTIMORE — Food-service operators and other retail merchants are benefiting from a renaissance in Maryland's largest city that began four and a half years ago with the opening of Harborplace, the downtown specialty shopping center.

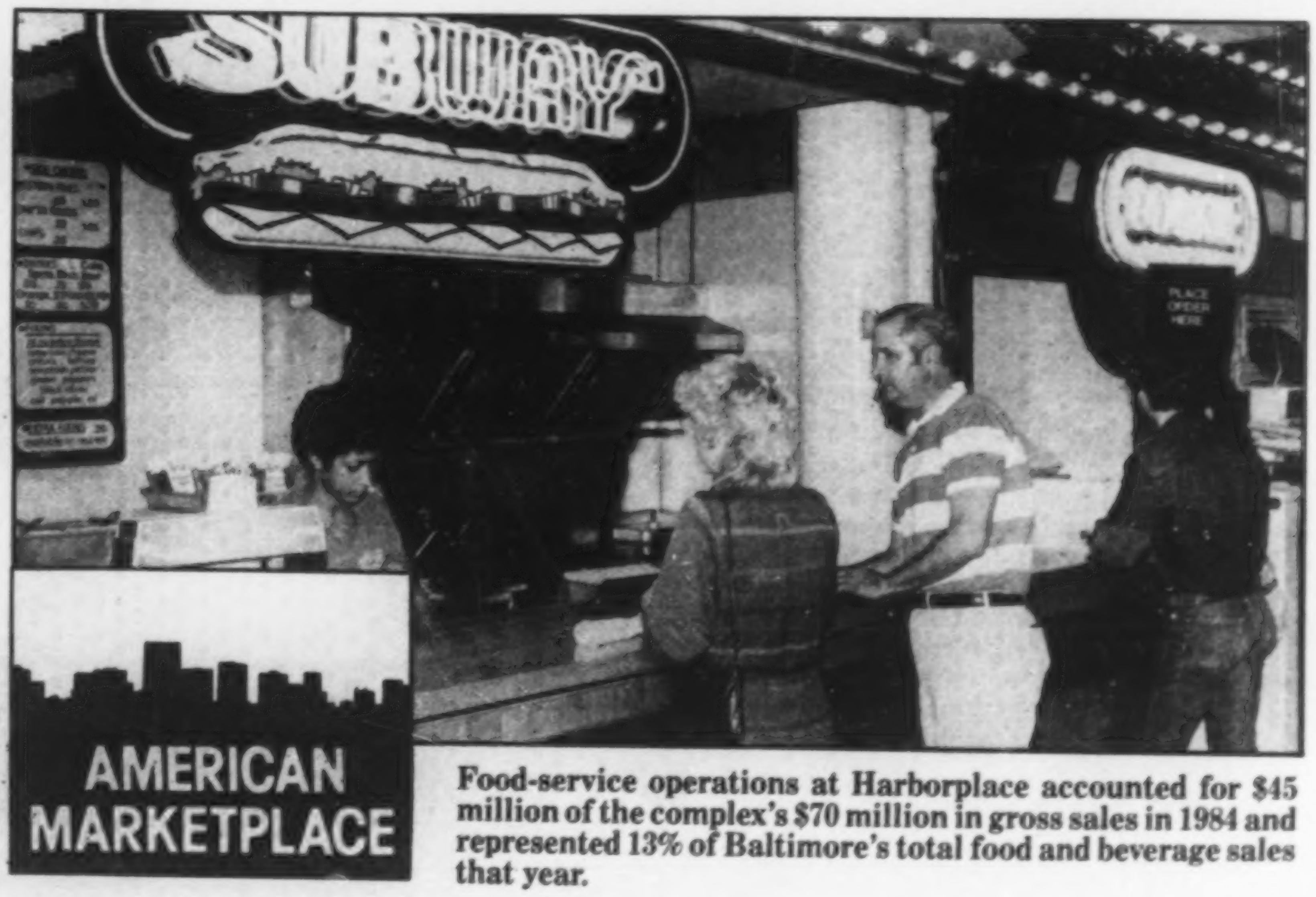
Harborplace touched off a revitalization of Baltimore, the center of a metropolitan area that is home to 2.2 million persons, and is helping the city shed its longstanding image as a poor relation to other East Coast cities such as New York, Washington and Philadelphia.

Pat Bernstein, a spokesman for Mayor William D. Schaefer, called Harborplace "a salvation."

It "turned our city around," she said. "Today it's the hub of critical activity which has contributed to a large number of new jobs."

Harborplace, which features six full-service restaurants, 32 fast-food operations, 28 over-the-counter specialty food stores and a smattering of bars, cafes and walkaway food carts and stalls, occupies 142,000 sq. ft. of retail space along the city's 240-acre Inner Harbor. Food service last year generated about $45 million of Harborplace's $70 million in

(See *BALTIMORE*, page 10)



AMERICAN MARKETPLACE

Food-service operations at Harborplace accounted for $45 million of the complex's $70 million in gross sales in 1984 and represented 13% of Baltimore's total food and beverage sales that year.

Catfish is the main catch at Cock of the Walk

Limited menu is no obstacle to profits

By Paul Frumkin

NATCHEZ, Miss. — While many operators will swear that the key to a restaurant's survival is its ability to offer customers a wide range of menu choices, the 16-unit Cock of the Walk is not only surviving but prospering by selling deep-fried catfish and little else.

Characterized by president Brent Bourland as a family-style theme restaurant chain, Cock of the Walk features fried chicken breast and fried shrimp in addition to catfish. However, adds Bourland, "Catfish accounts for 88% of total chain sales."

Perhaps as remarkable is the fact that 13 of the chain's 16 restaurants are open for dinner only—from 5 p.m. to 10 p.m. six days a week. But despite these seeming limitations, Bourland says that average store sales are currently hitting the $800,000 mark, and the company expects to gross $15 million during fiscal 1985.

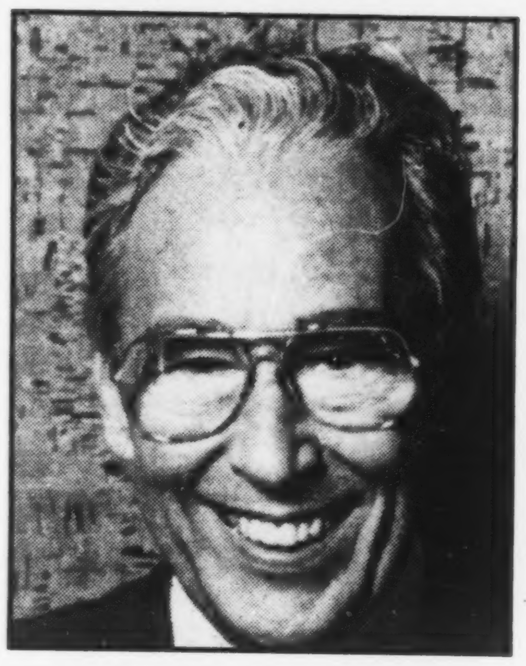
Cock of the Walk's strong showing in the Deep South—where a restaurant serving catfish is hardly a phenomenon—is largely the result of the chain's traditional approach to serving catfish. Two-ounce fillets are coated in a "secret" spicy batter, deep-fried in peanut oil and then served with hush puppies.

The total effect hasn't been lost on the media, either. Mississippi-born restaurant critic Craig Claiborne referred to a Cock of the Walk in Madison, Miss., as "what might be the best catfish restaurant in the state and, therefore, the nation."

In an interview with peripa-

*(See **CATFISH**, page 12)*

Alcohol awareness programs working, says Gallup



Harris Machus

By Ken Rankin
Washington Editor

WASHINGTON — Food-service "alcohol awareness" campaigns spearheaded by the National Restaurant Association and a number of state restaurant organizations are beginning to pay off, according to the results of a new Gallup Poll.

The survey, sponsored by NRA, found that more than half of the alcoholic beverage serving restaurateurs questioned during late December had already implemented alcohol awareness policies or practices in their establishments.

The pollsters contacted nearly 500 food-service operators across the country and found that in restaurants where beer, wine or liquor is served one-third (33%) watch patrons for "behavioral cues signaling intoxication," NRA said.

Another 16% post signs or distribute literature promoting moderate alcohol consumption or the hazards of drunk driving, while 15% "reported that their establishment made it a practice to call a cab if someone was drunk and did not have a ride home."

The survey also found that 13% conduct alcohol awareness staff meetings or continuing education programs for bartenders and servers, 10% encourage eating while drinking, and 4% offer nonalcoholic drinks for drivers and party groups.

Calling the poll results evidence that food service has "taken a giant step forward in its efforts to battle the problems of alcohol abuse and drunk driving," NRA president Harris Machus predicted that restaurant industry efforts to curb overconsumption "will become even more widespread in the future."

NRA's own efforts to foster industry sensitivity to alcohol abuse and drunk driving range from a series of "server education" programs operated in conjunction with state restaurant associations to teach bartenders how to prevent intoxication, to a long-range consumer awareness initiative aimed at educating patrons to the problem.

IFMA honors Rosellini, Goodall, Rusitzky, Armstrong

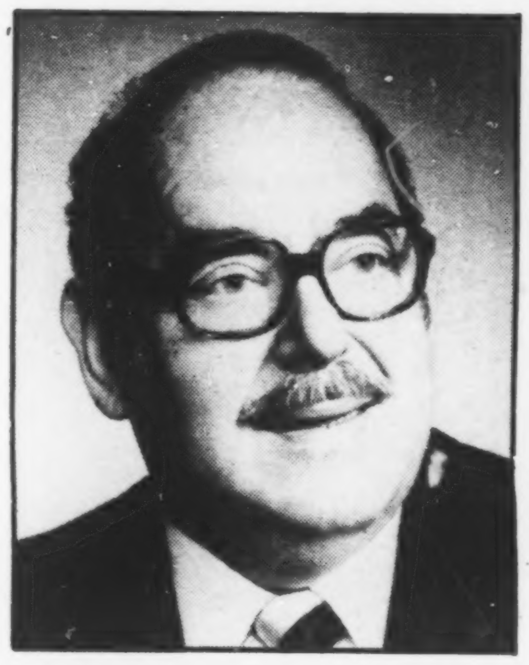
Trade group names eight 1984 Silver Plate winners

CHICAGO — Victor Rosellini, veteran Seattle restaurateur, won the International Foodservice Manufacturers Association's 1985 Silver Plate award as full-service restaurant operator of the year in balloting here earlier this month.

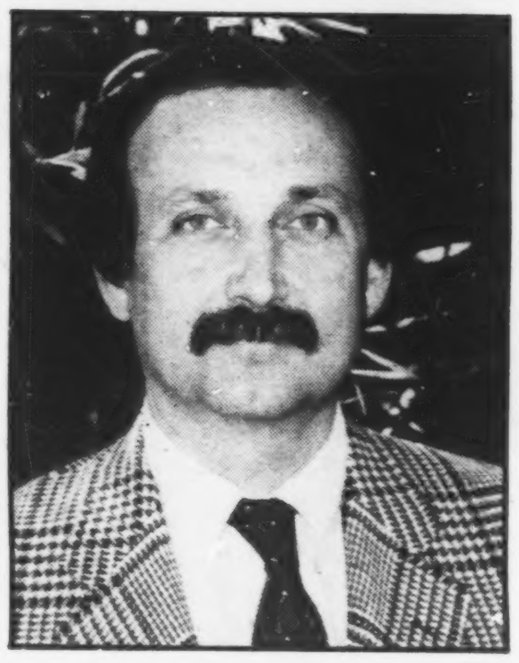
Jack Goodall, president of Foodmaker and long-time driving force of its San Diego-based Jack in the Box, won in the fast-service category. Harris (Bud) Rusitzky, president of Serv-Rite Food Service, Rochester, N.Y., copped honors in the contract/industrial category, and Jim Armstrong, veteran food administration vice president for Walt Disney World and Disneyland, in hotels and resorts.

The other Silver Plate winners were Robert Underwood, food-service director of the Maine Medical Center, hospitals and health care; Elizabeth Bender, food-service supervisor of the Dayton, Ohio, schools; Paul Fairbrook, auxiliary services director of the University of the Pacific, colleges and universities, and Sgt. Antonin Bavuso, Air Force food-service superintendent, Government institutions and military.

The eight 1985 Silver Plate winners were again chosen by vote of leading food-service publication chief editors and of last year's Silver Plate winners. One of the eight 1985 winners was selected by secret ballot as the 1985 Gold Plate food-service operator of the year.



Victor Rosellini



Jack Goodall

COMMODITIES

Disruptions in Brazil's coffee supply brews trouble

By Gary S. Friedman
Commodity Analyst

Disruptions in the internal domestic supply of Brazilian coffee has affected prices in the world markets to such an extent that analysts say they feel price escalations will soon be seen at the retail and wholesale level.

Current world cash prices are $1.37 per pound, against approximately $1.30 the year before. The futures price for March delivery are trading in the low $1.50-per-pound range. The traditional spread between cash and futures has been much narrower than what appears today.

Short term supply problems due to weather related causes last winter have driven the price of coffee in Brazil up to the point where the Brazilian exporters are uncompetitive in the world markets and are doing their best to merely meet their own domestic demand.

Brazil, although still low in reserves and still burdened by international debt, has chosen to satisfy domestic demand first before releasing supplies into international channels. It is interesting to note the degree of importance that a single commodity has, and the sense of well being that a populace like Brazil, with all its problems, places on its unrestricted supply.

Brazil, which supplies approximately 40% of the total world mild coffee market and 29% of the total world coffee market, has undershipped 3.94 million bags of its quota set by the governing International Coffee Organization. A single bag represents 60 kilos of coffee. This undershipment represents 25% of its quota for the first quarter of the coffee year.

Domestic Brazilian prices are actually 2¢ to 3¢ above world prices, forcing exporters out of the bidding for foreign markets. The International Brazilian Coffee Board has been forced to bring down prices in the domestic market to once again allow Brazilian supply to enter international channels.

This has included the auctioning off of 2 million-2.5 million bags of coffee held in reserve solely limited to meet the domestic demand. The auction, which began Feb. 2nd, is slated to auction 100,000 bags per day. This reserve gradually entering the domestic market may limit the amount necessary to be released, and more importantly, buffer any possible tremors created.

Meanwhile the world coffee market has been forced to look elsewhere for supply. Western Africa has been able to meet some of the additional demand, but only in the robusta segment of the coffee market, not the mild coffee supply cut short by the Brazilian situation.

Nicaragua, a supplier within the mild market, has also been beset with difficulties within their production quotas due to the civil unrest.

If the futures prices are any indication of what's to come, expect a price rise.

PRICE MOVEMENT AT A GLANCE

	2/5/85	Year Ago
Broilers, dressed A N.Y. lb.	$0.5374	$0.6525
Butter, AA Chicago lb.	$ 1.42½	$1.41¼
Eggs, lge whte, Chicago dz.	$ 0.56	$1.09
Flour, HRW, KC cwt.	$10.00	$9.70
Pepper, black N.Y. lb.	$ 1.25	$1.04
Pork Bellies, 12-14 lb., mid-US lb.	$ 0.70	$0.58
Potatoes, rnd wht, 50 lb. f.o.b. Maine	$ 2.10	$3.82½
Sugar, cane, raw world, lb. f.o.b.	$0.0373	$0.0667

Source: NRN *Research*

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

Breakfast buffets a big boost to morning counts

By David Zuckerman

Despite relatively high food and labor costs, breakfast buffets are boosting margins and generating substantial morning daypart traffic particularly on weekends for restaurants in a variety of market segments from fast food to coffee shops to budget steakhouses.

> *The salad bar is easily converted into the margin boosting breakfast buffet, building morning traffic.*

Fast feeders like Marriott's Roy Rogers and Rax, in fact, have restricted the use of breakfast buffets to weekends only, while offering lower ticket, faster service programs during the week. In the coffee shop segment, where patrons traditionally expect more variety and weightier checks, operators like Shoney's and J.B.'s have adopted breakfast buffets to compliment standard off-the-menu breakfast service on a seven-day-a-week basis.

Ponderosa, a breakfast pioneer among lunch- and dinner-oriented budget steakhouse operators, recently installed breakfast buffets represent a point of entry into the lucrative morning daypart.

While operationally taxing and expensive to maintain, the buffets create a festive atmosphere that belies the usual hustle-bustle associated with breakfast. With their all-you-can-eat formats and tantalizing arrays of fresh fruits, made-from-scratch biscuits and muffins as well as other hot and cold offerings, breakfast buffets attract a leisure-oriented customer, who is willing to pay higher prices than he might for standard breakfast fare.

Higher check averages plus the ease of converting on-line salad bars at little expense make breakfast buffets a cost-effective means for operators to set themselves apart from the competition.

"If we had tried to install a standard coffee shop-type breakfast program, it would have taken a great deal of time and been far too costly," said Donald Jackson, executive vice president and chief financial officer of Dayton, Ohio-based Ponderosa. "With the breakfast buffets we've added a whole new meal segment that is already a strong profit contributor."

Now available at 400 of Ponderosa's 436 company stores and about 50% of the chain's franchised units, Jackson said the breakfast buffets account for some 10%-15% of the chain's sales. Rollout of the program required just six months to complete at company-owned restaurants and is expected to pay for itself within one year.

Like several operators now employing breakfast buffets, Ponderosa has taken full advantage of on-premise salad bar equipment to maximize the cost-effectiveness of the program. The company less than one year ago completed chainwide rollout of its 30-ft.-long, 50-item salad bar dubbed "The World's Biggest, Best Salad Buffet."

"In converting the salad bar to a breakfast buffet, virtually no front-of-the-house changes were necessary," Jackson said. "The equipment was already designed with the necessary cold, warm and hot compartments. All we needed was a relatively small investment in back-of-the-house prep equipment and a few more hourly employees. No new management staff has been added."

Priced at $3.19 on weekdays and $3.79 on weekends, when traffic is strongest, Ponderosa's breakfast buffet—like its salad bars—is being marketed as "The World's Biggest, Best." Featured items in the all-you-can-eat format include a broad selection of fresh fruits, doughnuts and coffee cakes, waffles with various toppings, hot biscuits, scrambled eggs (with egg toppers like hot melted cheese), bacon and sausage. Additional items like chicken á la king are added on weekends when hours are extended at some locations until 2 p.m. On a daily basis, Ponderosa's breakfast buffets are open from 7 a.m. to 11 a.m.

"As an entirely incremental business without much fixed cost involved, breakfast produces higher margins than our other meal parts," Jackson said. "We feel that breakfast, specifically the breakfast buffet format, will definitely remain a permanent fixture at Ponderosa."

While Ponderosa relies exclusively

(See **BUFFETS**, page F4)

Fast feeders gain on family restaurants in the breakfast race

(Continued from page 1)

"If people want a real breakfast, they come to me," said Melvin Frazier, owner of the bustling 70-seat Melvin's family restaurant in Atlanta. "If they want a substitute, they can go elsewhere."

But increasingly, it appears, customers are indeed going elsewhere.

McDonald's revolutionized American eating habits in 1972 when the world's biggest restaurant chain began testing its Egg McMuffin, analysts agree. Since then, McDonald's direct competitors, including Burger King and Wendy's, have jumped on the breakfast bandwagon.

And more join the bandwagon every day. One of the surprising entrants lately has been Ponderosa, the 650-unit budget steakhouse chain, whose lunchtime salad bars are turned to breakfast warmers in the mornings.

In an effort to hold their ground, family restaurant chains such as the Big Boy and Shoney's systems have added all-you-can-eat breakfast bars, attempting to compete against fast food on price and convenience.

Some hotels have noted a leveling off of breakfast covers, while sales remain strong for their captive market. And several entrepreneurs have entered the market with breakfast-only concepts such as Le Peep in Denver.

The late 1970's and early 1980's saw the rise of a new breed of fried chicken chains which based more than a third of its sales on biscuits, more often than not served in the morning. Mrs. Winner's, Bojangles', Sister's and others are just a few of the progeny.

In addition, powerful chain-owned convenience grocery stores have entered the fast-food fray, targeting breakfast as one of the most vulnerable markets.

Southland Corp., owner of the 7,000-outlet 7-Eleven convenience store chain, boasts that it moves more fresh-brewed cups of coffee than any American retailer.

Circle K, the second-ranked convenience store chain, has introduced a breakfast burrito that the customer warms in a microwave oven.

Asserting that fast-food chains effectively created the eat-away-from-home breakfast market, Carl DiBiase of Restaurant Trends in Middletown, N.J., said, "People didn't normally think of eating breakfast with their hands."

"But the biggest breakthrough fast food made," DiBiase said, "was shoving it down the throats of franchisees—because it was not profitable and in some places still isn't."

DiBiase said franchisors were spurred by top-of-the-line sales, on which their franchisee commissions are based. But once established breakfast generates top-of-the-mind awareness for increased efficiencies of scale in advertising expenditures. And once profitable, breakfast serves to amortize fixed costs by utilizing assets around the clock.

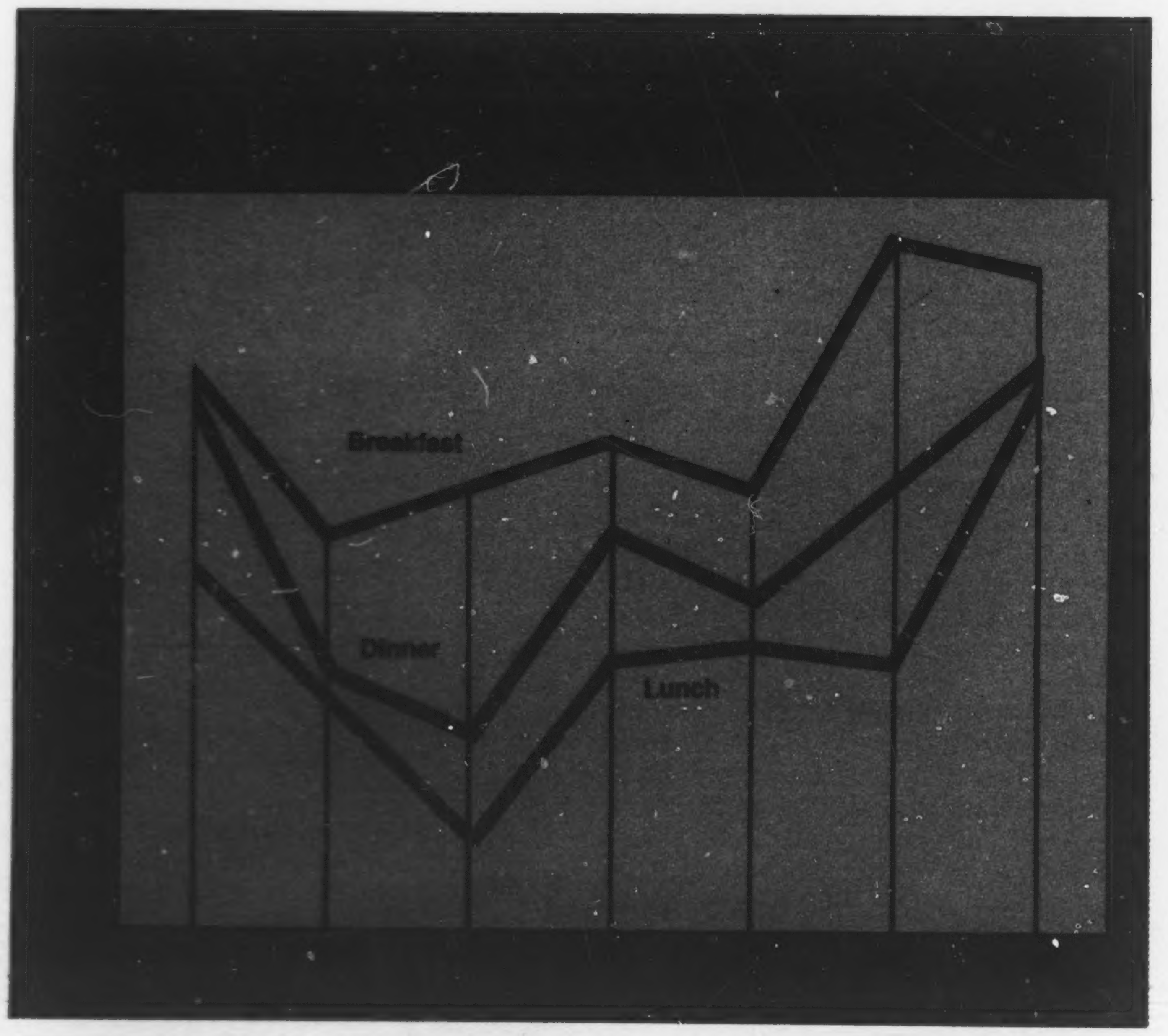
Despite competitors' inroads, Melvin's Frazier does a booming breakfast business and he isn't complaining.

"It's got a lower food cost," said the 54-year-old veteran of the restaurant business. The meal he costs out at less than 75¢—which includes eggs for 6¢ apiece, three biscuits, meat and grits—commands $3 on the menu, Frazier said. "And coffee is the cheapest thing in the world."

"But it takes more of my labor cost because basically everything has to be cooked to order," Frazier said.

But family restaurants continue to lose market share to fast-food chains. DiBiase's market research surveys indicate that Howard Johnson and Big Boy lost two percentage points of share last year, while McDonald's and Burger King made gains.

"The long term trends," said DiBiase, "certainly don't spell prosperity for the family restaurants."



A SAMPLING OF CHAIN RESTAURANT BREAKFAST SALES

(As Per Cent of Total Sales)

	1983	1984	Average Check
Big Boy	30.0	28.0	3.15
McDonald's	18.5	19.5	2.10
Wendy's	NA*	10.0	2.10
Ponderosa	NA	14.0	3.40

Source: Restaurant Trends, Middletown, N.J.

*NA = Not Available

Atlantic City's big losers

(Continued from page 1)

She reeled off a list of onetime competitors who were not even that fortunate: Shumsky's, Zaberers, The Sand Castle. All were once Atlantic City landmarks, catering to the families who flocked here for vacations. Shumsky's, for instance, drew patrons from up and down the Jersey shore for more than 55 years.

Yet each has been added to the casualty list of restaurants that were unable to weather the advent of legalized gaming. A drive down Pacific Avenue, a main drag two blocks inland from the boardwalk, revealed a shuttered restaurant every three blocks.

A spot-check of independents listed in the 1983 Yellow Pages found that one out of three were no longer in operation.

City officials were unable to say exactly how many restaurants in the area have closed. Several commented, however, that the tally is high.

"People come here to gamble, not to eat in our restaurants," said Andrew Latz of Knife & Fork. "If they eat here, it's because they walk off the boardwalk and find us."

The city's 10 casinos have gone to great lengths to make that possibility highly unlikely.

The typical Atlantic City patron is a low-budgeted "day-tripper" bused in for a single day. Since gambling time is limited, dining becomes a low priority usually satisfied by the fastest, most conveniently located and least expensive outlet.

The casinos have capitalized on that orientation by positioning buffet-style restaurants near their gaming areas, or offering significant discounts at their sit-down facilities.

The Sands Hotel & Casino, for example, features a multioutlet food court two floors above its casino. The Golden Nugget's Sweetheart Cafe is a blatant copy of a McDonald's.

"How can you compete? The casinos don't do as good a job within their restaurants as we do, but they have a captive market," said O'Brien.

To make matters worse, changes within Atlantic City brought about by the legalization of gambling have whittled away the local customer base. The advent of casinos sent real estate prices skyward, prompting many natives to sell out.

"Most of our customers are local. They're the few that still live here," O'Brien said.

The heavy influx of visitors has also created chronic traffic jams in downtown Atlantic City, or at least rumors to that effect. Rather than buck the traffic, many natives are heading for restaurants outside of town.

REPORTS OF heightened crime activity are also prompting local patrons to dine in outlying areas.

The casino-hotels maintain that they are not to blame for the woes of neighboring restaurants.

"The good ones are still doing quite well. The places that have closed left much to be desired," said Tom Carver, president of the Atlantic City Casino Hotel Association.

Houston's hot

(Continued from page 1)

within their local markets, providing steep competition for T.G.I. Friday's, Bennigan's, Houlihan's and other casual theme operators.

Daily customer counts range from 800 to 1,000, according to the estimates of individual Houston's outlets. The average check varies from $7.95 to $15 depending on location.

Sales estimates by individual outlets yield a ballpark annual store average of $3.6 million. One Houston's said its yearly revenues exceed $5 million.

Though clearly cut from the same cloth as a Bennigan's or a Friday's, Houston's outlets sport a far more restrained atmosphere. One of the restaurants in Houston, for example, features exposed wood beams, brass railings, neon beer signs and hanging plants, but none of the off-beat antiques and artifacts that have become the signature of most casual theme restaurants.

The design of each Houston's is tailored to its marketplace, a reflection of the vow made early-on by Houston's executives to avoid a cookie-cutter approach.

However, all but the outlet in Georgetown, D.C., are situated in suburban areas, usually as part of a shopping complex or mall.

All use the same menu, though prices vary. Houston's specialties include barbecue ribs (a "knife and fork version," as the menu points out); a club sandwich served with mustard honey dressing, and Tortilla Flats, a hybrid type of nachos.

A lengthy array of specialty drinks and wines are also featured.

The same menu is used for lunch and dinner, which Houston's offers seven days a week. At the outlet in Houston, prices ranged from $5.95 for a burger platter to $11.95 for the Hawaiian steak.

According to a server at that store, all ingredients are prepared fresh on-premises.

Houston's has adopted a conservative approach to expansion. In the last two-and-a-half years, it has added only five restaurants, and several of those in markets where it was already represented.

Houston's outlets are presently open in Atlanta (two), Nashville, New Orleans, Houston (two), Dallas, Georgetown, Memphis, Fort Lauderdale, Kansas City, Kan., and Rockville, Md.

Houston's vice president Vic Branstetter commented several years ago in a rare interview that the strategy was to cluster additional outlets around those already in operation. The goal, he said at the time, was to realize greater economies of scale.

HOWEVER, THE chain's executives declined to comment on the enactment of that strategy or any other aspect of Houston's operations.

"It's one of the privileges we have as a privately held company," said vice president of operations Joe Ledbetter.

Sea scallop supply short

(Continued from page 3)

nadian suppliers $6.80 a pound for sea scallops and $7.40 for the bay. He charges $13.95 for a 7-oz. scallop dinner.

Experts say the abundance of scallops in nature is cyclical, depending on factors like water temperature and currents and predation. But the recent shortages have been laid specifically to man.

When scallop prices went up several years ago, shrimpers and other fishermen turned their attentions to the resource and, according to Carol McBride of the National Marine Fisheries Service, many scallops were taken before they were sexually mature. That has resulted in fewer offspring now.

THE SEA scallop is a bivalve (two-shelled) mollusk that normally becomes sexually mature in its fourth year. Left alone, it can live up to 20 years. Except for its first few vulnerable weeks of life, the scallop easily evades predators because of its shells and swimming ability. Man is its only true natural enemy.

Besides overharvesting, another problem for the American seafood industry is the World Court's settlement of a dispute between the United States and Canada over a portion of the Georges Bank. The court drew an imaginary line through the entire bank, dividing it between the two nations. On the positive side, much of the disputed area went to the United States.

But the section of the Georges Bank that was given to Canadians, said Doug Marshall of the New England Fishery Management Council, is "quite rich in scallops." He added, "Now our people are not able to fish there." This makes for an uncertain future, he said.

For all of 1984, according to the National Marine Fisheries Service, the total scallop landing was estimated at 7,900 metric tons of meat. In 1978 it was 14,483.

Guste's: Going it alone

(Continued from page 2)

As sole owner of Guste's, however, he has found the creative latitude he was denied at Antoine's, and his ideas pervade virtually all aspects of the $2 million operation—from the design and color of the terrycloth napkins to the development of dozens of unique recipes.

"I wanted to build something that was contemporary and innovative," said Guste, who has studied cooking in France and published two cookbooks. "A restaurant that would attract people of my generation—a younger, upbeat market."

For the most part, the menu is Guste's interpretation of the traditional Cajun and Creole dishes he was raised on. "I first made a list of what I felt were the most outstanding dishes in the area, and then redeveloped them," he explained. The result is what he now refers to as "contemporary Louisiana cuisine."

Guste pointed to his duck sauce piquante—white Pekin duck simmered in a tart, spicy sauce and served over a bed of wild and white rice with raisins, pecans and crispy duck skin—as a particularly good example of the cuisine he is attempting to create at Guste's.

Utilizing some basic tenets of European peasant cooking, Guste has replaced the traditional oil in the Creole roux with rendered duck fat, a technique which helps to lower food cost as well as heighten the flavor of the dish. Additionally, the duck's carcass is used to flavor the rice.

"I don't think anyone else in New Orleans is going to that extent," he noted.

NOT EVERY dish Guste has developed has proved successful during the three months the restaurant has been open, though. "I removed a fish in a garlic-onion sauce and a sweet potato vichyssoise from the menu," he explained. "They worked beautifully in the test kitchen, but were uneven in the restaurant."

Instead, he replaced them temporarily with two more traditional dishes—a gumbo made with shrimp, oysters, crab and smoked meats, and a flounder meuniere. Guste said he hopes to bring the two dishes back in the future after they have been reworked.

Prices at Guste's are relatively low, compared with Antoine's $50-plus check average. Guste estimated the average lunch check at $15 with beverage and the average dinner check to be $25, also with a beverage.

"My intention was to create a low-cost operation," he explained. "I didn't think New Orleans needed another expensive restaurant."

He said he has been able to hold food costs to a reasonable 32% of gross sales by avoiding any unnecessarily expensive products, such as lobster, lump crab meat or pompano. "We just need good, fresh products," he added.

ALTHOUGH GUSTE admitted some of his clientele will be the same as Antoine's, he emphasized he "is not trying to steal the 'old guard.'"

"We're trying to attract the people that don't yet have their own restaurant," he said. And although Guste's is currently in the midst of a slow period, it is attracting upward of 200 covers daily—which Guste said he hopes to see increase to 600 eventually.

The design of Guste's is also quite contemporary, with high-tech Japanese influences found in both the black lacquered tables and red geometric room dividers and screens.

NRA nominates Grisanti

(Continued from page 2)

came after a spirited debate over the pros and cons of allowing a corporation to have more than one of its executives on the NRA board.

The NRA board had unanimously passed a resolution last September at its fall Washington meeting, amending the bylaws to permit executives of different chains in the same corporation to serve on the board if dues and separate memberships were maintained by each chain.

Remote as it might seem, the issue of potential dominance of the NRA board by large corporations such as W. R. Grace and Marriott suddenly flared into the open during the final winter board session at the Arizona Biltmore here. Robert Flickinger, 1972-73 NRA president and former chairman of Service Systems, who had not been at the fall board meeting, rose to challenge the bylaw change.

"I and others are unaware that any such bylaw change has actually been passed," Flickinger told bylaws committee chairman Kenneth Hill, Grace's Gilbert/Robinson president. "The idea that any conglomerate can have separate chain directors merely by having the chains pay separate dues can lead to too much control of this board by one corporation."

Flickinger moved a motion to rescind the bylaw change, and 1978-79 NRA president Thad Eure, former president of General Mills' Darryls theme restaurants, moved for an executive session to freely debate the issue.

The 40-minute private debate that ensued marked the first time the board went into executive session since its January 1982 meeting in San Antonio just after Robert Bradford was ousted as staff chief.

DIRECTORS LATER declined to comment on what transpired at the debate, and no comment was forthcoming on whether the bylaw change might be rescinded. But sources indicated a consensus apparently was reached to maintain the bylaw change.

The sources also said the debate was an honest struggle over principles between independent operators wary of chain influence and the chains themselves which want more representation.

NRN Index climbs 1.1 pts. in ongoing market rally

(Continued from page 110)

Seventeen food-service stocks hit yearlong highs during the week, matching the previous week's performance. Three, Fresher Cooker, D'Lites and TGIF Texas, hit lows. Last week four stocks hit lows.

Marriott matched a 52-week high of $85 during the week, climbing $3 to close 25¢ shy of a record at $84.75. Marriott said its year's earnings per share were $5.18, up from $4.15 the year before.

Among the most widely held issues, McDonald's gained $3.50, to close at $61, after hitting a yearlong high of $61.38. Wendy's advanced 38¢, to $19.25. Ponderosa, up 75¢, to $14. Chi-Chi's, up 75¢, to $12.25. Carrols Corp., down 38¢, to $10.75.

Collins, up $1.25, to a 52-week record of $20.13. El Torito, up 88¢, to $14.63, after flirting with a yearlong highwater mark of $14.88.

NOTICE: Effective with this edition of the *Nation's Restaurant News'* stock listings, all earnings data and all related calculations use primary earnings from total operations after taxes. Earnings are before extraordinary items, when such items are applicable. This change in methodology may explain any differences in earnings data and related calculations from those figures on the previous *NRN* stock tables.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
So Hospitality M	504.1	Allegheny Bev O	157.6
A&M Food Svcs M	398.6	El Torito Rest N	154.8
USACafes M	314.0	Victoria Stations M	135.3
Vicorp Restaurants M	168.9	PepsiCo Inc N	134.5
Saga Corp N	158.9	Bob Evans Farms M	132.9

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Good Taco M	- 14.3	DLites Of Amer O	- 9.0
Esteban Foods O	- 12.5	Pancho Mex Buffet M	- 5.0
Capt Crab M	- 11.1	Luby's Cafe N	- 4.8
Saga Corp N	- 10.2	Po-Folks M	- 4.1
Kapok Cp A	- 9.5	Nathans O	- 3.4

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Peoples Rest M	50.0	Natl Pizza O	18.8
Consul Restaurant M	25.0	Cucos Inc O	18.8
So Hospitality M	21.6	A&M Food Svcs M	17.9
Ritzys G D M	20.8	Acapulco Rests O	16.1
Vicorp Restaurants M	18.9	Rusty Pelican M	15.5

	Stock Market											Financial Update																		
	Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date						
	2-08-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																														
A&M Food Svcs M	5.75	.88	17.9	5.88	4.88	7.50	3.50	1,264	3.54	.71	398.6	16.4	.00	.0		9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rests O	4.50	.63	16.1	4.75	3.88	5.25	3.50	313	1.26	.67	88.1	18.0	.00	.0		fiscal	10-84	10.3	5.1	.3	NE	.11	NC	38.6	1.8	.6	NE	.25	NC
Amer Rest O	3.75	.13	3.4	4.00	3.50	6.00	2.38	156	.69	1.06	- 34.9	19.7	.00	.0		9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts M	12.25	- .25	- 2.0	12.75	11.88	17.13	10.50	1,355	3.06	3.26	- 6.1	14.4	.12	1.0		fiscal	09-84	23.3	.9	.8	- 11.1	.19	- 9.5	94.4	6.9	3.8	18.8	.85	18.1
Beefsteak Char A	2.38	.13	5.6	2.50	2.25	4.63	1.75	381	.68	.91	- 25.3	NE	.00	.0		9 mos.	07-84	19.9	- 12.3	(.4)	NC	.07	600.0	68.7	- 6.4	(1.7)	- 100.0	.30	3.4
Benihana Natl M	16.00	- .13	- .8	16.25	15.88	16.25	4.50	1,108	3.89	2.64	47.3	23.9	.00	.0		6 mos.	09-84	10.3	110.2	.4	33.3	.15	7.1	24.3	145.5	1.1	57.1	.39	39.3
Bob Evans Farms M	19.00	- .25	- 1.3	20.25	19.00	20.25	14.75	2,648	1.63	.70	132.9	18.4	.30	1.6		6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp M	1.38	.00	.0	1.38	1.13	9.00	1.00	112	.37	.53	- 30.2	NE	.00	.0		3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food M	11.25	.00	.0	11.75	11.13	11.75	7.25	1,155	2.55	2.49	2.4	17.9	.16	1.4		9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab M	2.00	- .25	- 11.1	2.25	2.00	6.13	1.38	1,046	.92	1.84	- 50.0	NE	.00	.0		9 mos.	05-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp N	10.75	- .38	- 3.4	11.38	10.63	11.50	7.13	1,192	1.54	1.03	49.5	15.4	.07	.7		6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's M	12.25	.75	6.5	12.25	11.25	19.50	10.00	25,023	9.30	5.04	84.5	18.3	.00	.0		6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chili's inc M	25.13	- .50	- 2.0	25.50	24.88	25.63	12.75	573	1.27	2.89	- 56.1	36.9	.00	.0		6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch N	33.38	- .38	- 1.1	34.50	33.38	34.63	21.25	2,390	1.27	1.97	- 35.5	17.4	.80	2.4		9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods N	20.13	1.25	6.6	20.13	18.50	20.13	9.91	3,029	3.47	1.71	102.9	15.7	.16	.8		6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev O	9.63	.13	1.3	9.88	9.25	17.69	5.75	792	1.53	2.10	- 27.1	18.5	.00a	.0		3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts O	5.13	.00	.0	5.38	5.13	8.63	4.75	159	.45	.39	15.4	14.6	.00	.0		fiscal	09-84	16.4	3.8	.6	50.0	.16	33.3	67.8	6.9	1.3	8.3	.35	9.4
Consul Restaurant M	6.25	1.25	25.0	6.25	5.00	13.88	4.50	2,228	4.95	2.81	76.2	NM	.00	.0		6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel M	15.50	.00	.0	16.00	15.50	23.50	11.75	418	1.17	.99	18.2	16.5	.14	.9		3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc O	4.75	.75	18.8	5.50	4.25	4.75	2.75	137	1.22	.86	41.9	25.0	.00	.0		9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Diversifoods M	9.50	- .25	- 2.6	9.75	8.75	16.75	8.00	27,800	8.29	7.60	9.1	16.1	.34	3.6		9 mos.	09-84	148.8	16.0	7.0	- 17.6	.21	- 16.0	420.7	17.1	22.2	- 3.5	.86	- 2.9
DLites Of Amer O	11.38	- 1.13	- 9.0	12.63	11.38	15.50	11.38	1,654	3.28	3.01	9.0	NM	.00	.0		9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts M	28.00	2.50	9.8	28.00	25.50	28.00	18.13	1,366	2.88	1.64	75.6	15.0	.32	1.1		fiscal	10-84	23.9	18.3	2.1	10.5	.43	16.2	90.3	16.5	9.1	15.2	1.87	15.4
El Chico M	9.00	.13	1.4	9.13	8.63	11.00	7.25	458	.98	.91	7.7	11.4	.00	.0		6 mos.	11-84	20.1	4.7	.9	- 50.0	.19	- 52.5	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest N	14.63	.88	6.4	14.88	13.63	14.88	9.00	2,060	1.86	.73	154.8	15.1	.00	.0		fiscal	12-84	61.1	13.6	2.1	16.7	.19	35.7	250.1	18.7	11.1	29.1	.97	42.6
Fast Food Oper O	.94	.00	.0	1.00	0.94	1.88	.69	270	.46	.98	- 53.1	15.6	.00	.0		fiscal	12-83	1.6	33.3	.1	.0	.04	100.0	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes M	7.00	.50	7.7	7.13	6.25	9.13	5.13	2,109	3.02	1.98	52.5	NE	.00	.0		9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker O	3.75	- .13	- 3.2	4.13	3.75	6.75	3.75	70	.41	.35	17.1	NE	.00	.0		fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's A	20.63	.75	3.8	20.63	19.63	20.63	12.00	86	.20	.20	.0	17.8	.22	1.1		6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc M	11.50	- .13	- 1.1	12.00	11.38	16.25	8.50	1,796	2.76	3.11	- 11.3	NM	.00	.0		9 mos.	09-84	7.2	188.0	.6	500.0	.09	350.0	16.9	125.3	.0	- 100.0	.00	- 100.0
Garcias Scot M	2.94	.13	4.4	3.00	2.75	6.50	1.63	594	.99	3.02	- 67.2	NE	.00	.0		9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco M	.38	- .06	- 14.3	0.44	0.31	5.25	.25	533	1.80	2.78	- 35.3	NE	.00	.0		6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NC	.8	166.7	(.6)	NE	(.24)	NC
Hambrg Hamlet O	14.50	.75	5.5	15.50	14.25	14.50	9.75	5	.07	.13	- 46.2	12.5	.00	.0		fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger M	4.88	- .13	- 2.5	5.00	4.88	8.38	3.62	165	.57	1.53	- 62.7	25.7	.00	.0		3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen O	50.50	5.00	11.0	51.50	46.00	50.50	32.50	58	.29	.18	61.1	14.1	.00	.0		fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab M	19.25	- .25	- 1.3	19.50	18.75	20.25	11.38	441	1.55	2.58	- 39.9	11.7	.00a	.0		3 mos.	09-84	19.2	6.7	1.1	37.5	.36	NC	19.2	6.7	1.1	37.5	.36	NC
JB's Rest M	18.50	1.38	8.0	18.50	17.13	18.50	10.38	852	3.67	2.13	72.3	14.9	.20	1.1		3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc M	18.63	.38	2.1	18.88	18.25	18.75	11.88	4,055	2.57	3.24	- 20.7	13.5	.12	.6		6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp A	2.38	- .25	- 9.5	2.63	2.38	5.00	1.13	160	.71	1.59	- 55.3	NE	.00	.0		fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NC	12.3	7.9	(2.7)	NE	(1.29)	NC
Karcher Carl M	18.63	.63	3.5	19.00	17.75	29.63	13.50	2,518	3.57	2.97	20.2	11.2	.00	.0		6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston M	1.19	.06	5.6	1.25	1.00	10.38	.75	2,324	2.72	7.31	- 62.8	NE	.00	.0		3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	30.00	- 1.50	- 4.8	32.00	29.50	32.00	23.63	262	.22	.57	- 61.4	21.0	.54	1.8		fiscal	08-84	48.7	23.6	5.0	28.2	.41	173.3	174.9	21.4	17.4	25.2	1.43	24.3
Marcus Corp M	15.88	.13	.8	16.13	15.88	16.13	11.38	117	.23	.30	- 23.3	10.8	.28	1.8		6 mos.	11-84	30.2	4.5	2.0	.0	.39	5.4	63.7	3.6	4.8	2.1	.94	3.3
Marriott Corp N	84.75	3.00	3.7	85.00	81.13	85.00	58.50	1,981	.77	.70	10.0	18.2	.54	.6		9 mos.	09-84	834.2	11.7	38.3	4.6	1.43	8.3	2402.7	15.1	96.0	14.0	3.54	16.4
Maverick Rest O	2.75	.13	4.8	2.88	2.75	6.25	2.25	241	.48	.69	- 30.4	16.2	.00	.0		9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's O	2.88	.13	4.5	3.25	2.75	6.88	2.50	241	1.41	.84	67.9	NE	.00	.0		fiscal	10-83	NC	NC	NC	NC	NC	NC	15.9	28.2	(.3)	- 100.0	(.28)	- 100.0
McDonald's Cp N	61.00	3.50	6.1	61.38	57.38	61.38	40.84	11,485	1.32	1.12	17.9	14.3	.82	1.3		9 mos.	09-84	784.8	- 4.1	114.3	13.6	1.30	16.1	2395.1	7.6	297.9	13.4	3.37	15.4
Morrison Inc M	19.00	1.13	6.3	19.13	17.63	19.00	13.13	3,484	2.54	1.38	84.1	12.7	.48	2.5		6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak O	2.75	.25	10.0	2.88	2.50	3.25	1.13	323	.67	1.13	- 40.7	NE	.00	.0		fiscal	09-84	16.6	5.1	(1.4)	NE	(.30)	NE	66.4	5.1	(1.9)	NE	(.41)	NE
Nankin Express O	1.75	.00	.0	2.00	1.75	2.75	1.00	165	.74	1.21	- 38.8	NE	.00	.0		9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans O	3.50	- .13	- 3.4	3.75	3.38	4.50	1.78	360	1.61	1.80	- 10.6	6.4	.00a	.0		6 mos.	09-84	6.1	1.7	.4	.0	.18	NC	12.2	7.0	.8	33.3	.36	NC
Natl Pizza O	9.50	1.50	18.8	10.25	9.50	9.75	7.50	278	.51	.22	131.8	12.5	.00	.0		6 mos.	09-84	10.4	8.3	.9	- 59.1	.19	- 56.8	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc M	6.38	.00	.0	6.63	6.25	15.25	4.88	1,353	2.91	4.21	- 30.9	NE	.00	.0		3 mos.	09-84	38.3	11.0	.4	- 66.7	.10	- 60.0	38.3	11.0	.4	- 66.7	.10	- 60.0

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

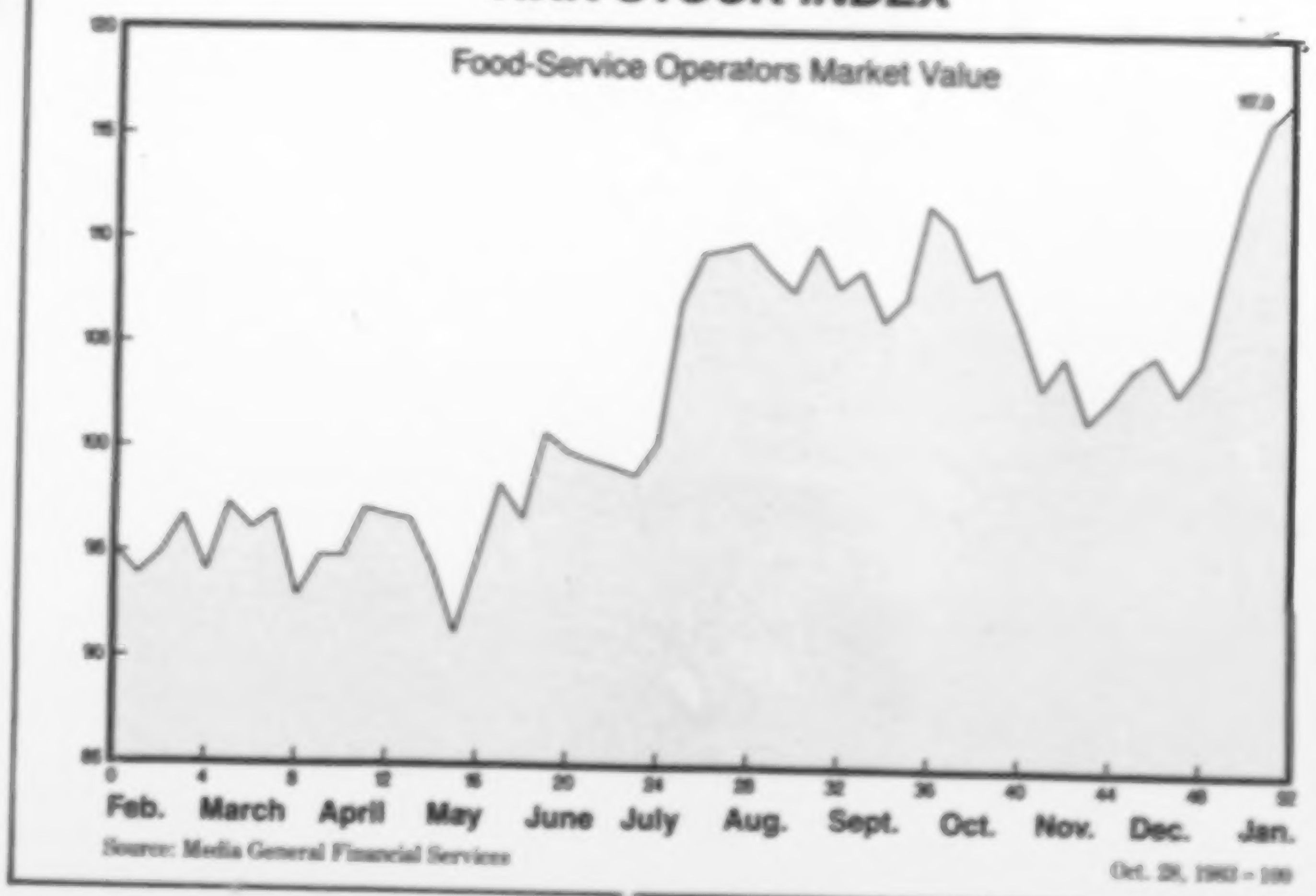
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

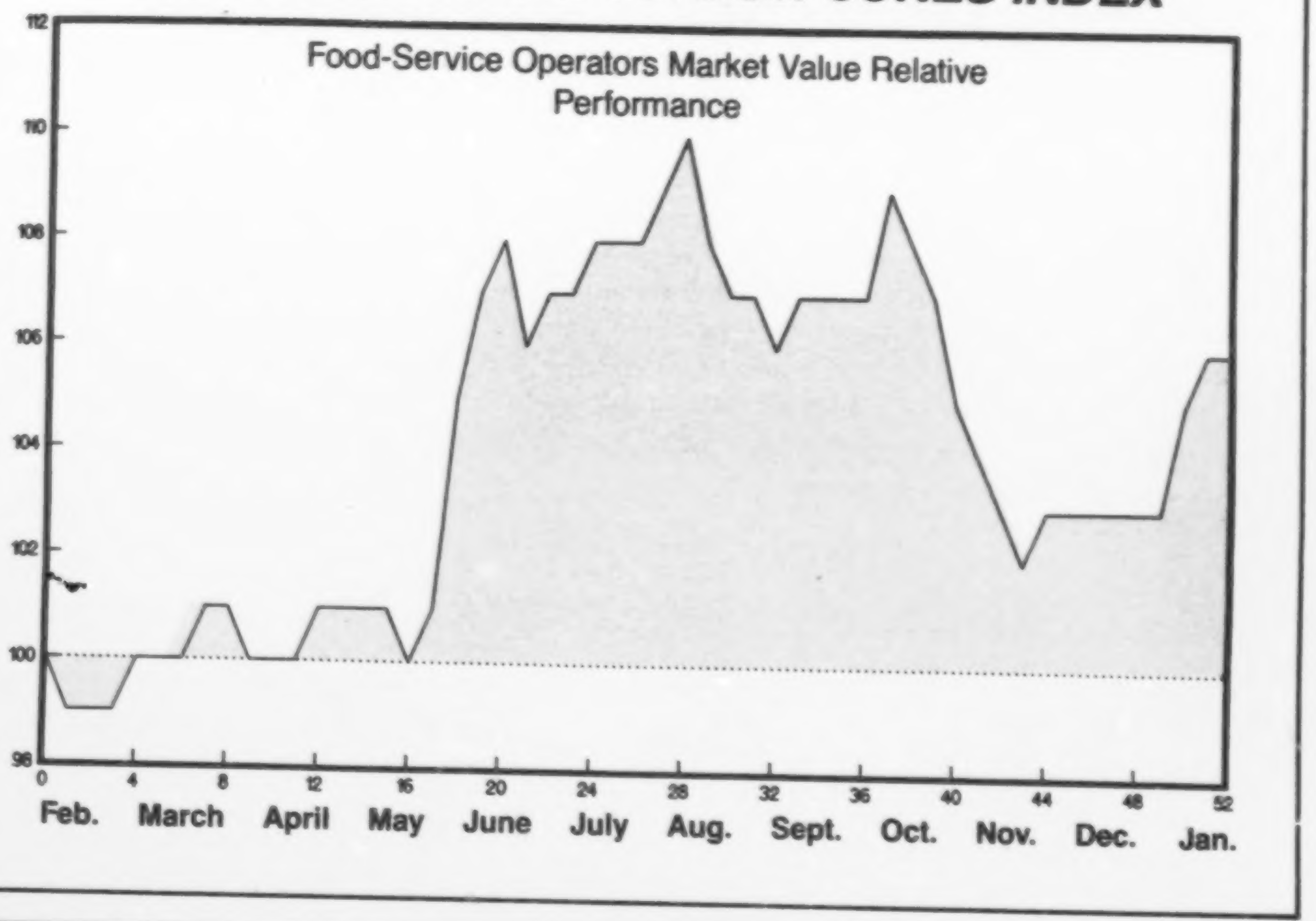
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



Company and Market		Stock Market											Financial Update																	
		Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		2-08-85 Close	Weekly Change Amt.	Weekly Change Pct.	Weekly Range High	Weekly Range Low	52-Week Range High	52-Week Range Low	Weekly Shares Traded Total	Weekly Shares Traded % Out	12-Week Avg. Vol. As % Out	Volume Trend Change		Amt.	Yld.	New Report	Period	Date Ended	Revenue Amt.	Revenue Chg.	Net Income Amt.	Net Income Chg.	E.P.S. Amt.	E.P.S. Chg.	Revenue Amt.	Revenue Chg.	Net Income Amt.	Net Income Chg.	E.P.S. Amt.	E.P.S. Chg.
		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
1 Potato 2	O	2.88	.00	.0	3.13	2.88	12.25	1.88	183	.84	1.82	- 53.8	57.5	.00	.0		6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC
Old Fashion Fd	O	5.00	.25	5.3	5.50	4.75	6.25	4.00	15	.11	.45	- 75.6	9.8	.00	.0		6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet	M	7.13	- .38	- 5.0	7.50	7.00	8.25	5.88	503	1.77	1.04	70.2	13.0	.13	1.8		fiscal	09-84	8.8	22.2	.5	.0	.19	11.8	31.6	25.9	1.5	25.0	.55	27.9
Peoples Rest	M	.56	.19	50.0	0.56	0.31	5.00	.25	6,736	7.85	6.26	25.4	NE	.00	.0		fiscal	06-84	NC	NC	(21.8)	- 100.0	(2.61)	- 100.0	30.6	12.1	(23.8)	- 100.0	(2.85)	- 100.0
Piccadilly Caf	M	22.75	- .25	- 1.1	22.75	22.50	24.25	15.00	1,355	2.24	1.22	83.6	13.2	.60	2.6		6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn	A	9.25	.25	2.8	9.25	8.25	12.75	6.88	296	.97	1.16	- 16.4	8.9	.08	.9		9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks	M	11.63	- .50	- 4.1	12.13	11.38	16.63	8.75	157	.36	.86	- 58.1	15.5	.00	.0		fiscal	09-84	31.3	46.9	1.0	- 23.1	.23	- 37.8	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys	N	14.00	.75	5.7	14.50	13.25	22.88	11.50	5,742	5.98	3.67	62.9	8.2	.40	2.9		9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc	O	3.50	.00	.0	3.63	3.50	6.50	2.38	359	1.06	1.40	- 24.3	NE	.00	.0		fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants	M	9.75	1.00	11.4	9.75	8.50	17.00	8.00	884	1.40	1.65	- 15.2	14.3	.00	.0		fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc	A	7.25	.63	9.4	7.25	6.75	8.88	5.38	272	.97	1.55	- 37.4	9.9	.00	.0		9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys	M	14.50	.75	5.5	14.50	13.75	14.50	9.00	321	1.39	.74	87.8	10.4	.00	.0		9 mos.	09-84	8.6	17.8	.6	50.0	.25	NC	27.9	26.2	1.6	60.0	.68	NC
Ritzys G D	M	3.63	.63	20.8	3.63	3.00	9.00	1.75	617	1.19	1.54	- 22.7	NE	.00	.0		9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican	M	14.88	2.00	15.5	14.88	12.88	18.25	11.00	733	2.64	2.62	.8	17.3	.00	.0		3 mos.	10-84	10.6	37.7	.3	50.0	.14	7.7	10.6	37.7	.3	50.0	.14	7.7
Ryans Fam Steak	M	25.50	.38	1.5	25.75	24.75	25.88	15.50	806	1.87	2.49	- 24.9	33.1	.00	.0		fiscal	12-84	9.3	66.1	1.0	42.9	.24	50.0	32.0	66.7	3.3	57.1	.77	48.1
Saga Corp	N	29.63	- 3.38	- 10.2	33.88	29.25	35.50	25.00	5,676	4.35	1.68	158.9	11.6	.44	1.5		6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef	M	8.50	.25	3.0	8.50	8.25	11.75	6.75	52	.42	.72	- 41.7	13.9	.00	.0		6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley	M	7.38	.00	.0	7.63	6.88	11.00	6.50	1,996	5.08	3.28	54.9	NE	.00	.0		9 mos.	09-84	15.7	- 14.2	3.0	NE	.76	- 69.0	48.3	- 11.9	5.3	NE	1.35	- 16.1
Shoney's Inc	M	26.63	- .38	- 1.4	27.88	26.13	27.88	15.00	3,109	1.12	.94	19.1	25.6	.15	.6		9 mos.	07-84	117.8	24.9	8.2	26.2	.30	30.4	360.0	22.4	21.9	28.1	.80	25.0
Shoney's South	M	15.88	.13	.8	15.88	15.50	16.59	11.00	632	1.13	.85	32.9	13.5	.00	.0		9 mos.	09-84	40.1	14.2	1.8	12.5	.32	23.1	127.3	17.2	5.8	48.7	1.00	19.0
SIS Cp	M	5.00	.25	5.3	5.50	4.75	8.75	3.25	122	.79	1.04	- 24.0	NM	.00	.0		6 mos.	06-84	2.1	90.9	.1	.0	.04	- 20.0	3.5	105.9	.0	- 100.0	(.03)	- 100.0
Sizzler Rest Intl	M	19.00	.00	.0	19.25	18.50	19.25	8.75	762	1.12	.65	72.3	15.2	.00	.0		3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers	M	11.75	- .13	- 1.1	12.00	11.63	12.13	8.00	502	1.84	1.45	26.[illegible]	14.3	.06	.5		9 mos.	09-84	14.5	25.0	.5	25.0	.18	20.0	42.3	25.1	1.6	14.3	.60	1.7
So Hospitality	M	5.63	1.00	21.6	5.75	4.50	5.63	3.75	8,531	17.82	2.95	504.1	16.1	.00	.0		6 mos.	11-84	10.3	18.4	.4	33.3	.08	14.3	21.0	25.7	.8	33.3	.16	14.3
Taco Viva	M	10.00	.50	5.3	10.25	9.25	10.00	7.00	314	1.37	.92	48.9	18.9	.00	.0		6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's	N	12.00	1.50	14.3	12.25	10.38	13.13	7.88	2,743	2.40	1.26	90.5	20.3	.00	.0		9 mos.	09-84	72.9	15.2	2.2	- 37.1	.13	- 40.9	209.4	20.0	8.7	.0	.48	- 11.1
TGIF Texas	O	2.25	.00	.0	2.75	2.25	5.00	2.25	3	.02	.26	- 92.3	NE	.00	.0		3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld	N	36.00	3.00	9.1	36.00	32.75	36.00	23.63	14,357	4.39	2.36	86.0	11.5	.40	1.1		fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes	M	4.00	.13	3.2	4.13	3.63	4.75	2.75	1,203	2.36	.57	314.0	NA	.00	.0			00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants	M	22.00	3.50	18.9	22.00	18.25	22.00	13.25	5,107	7.88	2.86	168.9	16.7	.12	.5		fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations	M	4.25	.50	13.3	4.38	3.63	8.00	2.13	4,389	12.40	5.27	135.3	NE	.00	.0		6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl	N	19.25	.38	2.0	19.63	18.63	20.50	13.13	20,720	3.80	1.81	109.9	16.0	.28	1.5		9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer	O	10.00	.50	5.3	11.00	9.50	12.00	9.00	91	.75	.45	66.7	17.5	.20	2.0		9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp	N	6.63	.25	3.9	6.75	6.25	13.38	5.13	507	1.16	2.07	- 44.0	13.5	.00	.0		9 mos.	09-84	27.3	14.2	2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 34.8
Hotels, Motels, and Casinos																														
Brock Hotel Cp	N	3.88	.38	10.7	4.00	3.50	6.63	2.63	1,530	1.16	1.32	- 12.1	NE	.10	2.6		9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(26.3)	NE	(1.77)	NE
Hilton Hotels	N	59.38	.75	1.3	60.13	58.50	60.13	45.50	2,745	1.05	.94	11.7	17.0	1.80	3.0		9 mos.	09-84	205.4	24.4	24.3	- 45.8	.93	38.8	504.9	3.1	68.0	- 22.3	2.56	13.3
Holiday Inns	N	51.00	2.25	4.6	51.75	49.00	51.75	35.25	11,780	3.29	4.21	- 21.9	14.9	.90	1.8		9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn	N	31.25	.50	1.6	32.00	30.25	32.00	16.00	1,990	1.38	1.14	21.1	24.4	.12	.4		3 mos.	09-84	47.9	192.1	5.8	26.1	.40	25.0	47.9	192.1	5.8	26.1	.40	25.0
Ramada Inns	N	7.63	.25	3.4	7.63	7.13	8.75	5.13	12,159	3.27	2.34	39.7	25.4	.00	.0		9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc	M	18.75	.75	4.2	19.25	17.75	22.28	12.28	297	.85	.66	28.8	6.5	.00a	.0		9 mos.	09-84	48.9	24.7	3.4	385.7	.99	NC	139.1	24.8	6.2	138.5	1.80	NC
Sonesta Intl	O	21.00	.00	.0	23.00	21.00	23.00	17.50	6	.04	.07	- 42.9	NE	.40	1.9		9 mos.	09-84	22.6	17.1	(.6)	- 100.0	(.38)	- 100.0	62.1	11.9	(.6)	- 100.0	(.41)	- 100.0
Other Companies with Food-Service Operations																														
Allegheny Bev	O	22.00	1.75	8.6	22.25	20.00	22.25	13.50	3,057	5.10	1.98	157.6	14.1	.40	1.8		9 mos.	09-84	167.3	27.2	2.4	- 11.1	.39	- 11.4	486.1	23.2	7.0	- 13.6	1.12	- 13.8
Ch Full O Nut	N	8.63	- .13	- 1.4	9.00	8.38	14.56	7.63	369	.80	.84	- 4.8	NM	.48	5.6		3 mos.	10-84	26.5	- 10.2	.1	- 83.3	.03	- 75.0	26.5	- 10.2	.1	- 83.3	.03	- 75.0
Disney, Walt	N	75.88	2.38	3.2	76.50	73.13	76.50	45.25	7,491	2.22	2.53	- 12.3	62.2	1.20	1.6		3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods	O	1.75	- .25	- 12.5	2.00	1.75	3.50	1.13	138	.59	.93	- 36.6	19.4	.00	.0		9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills	N	56.13	.63	1.1	57.13	55.00	60.00	44.38	12,205	2.70	1.82	48.4	13.4	2.24	4.0		6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R	N	41.63	.00	.0	42.38	41.63	44.50	36.50	3,113	.84	.84	- 23.8	10.4	2.80	6.7		fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart	A	10.75	.00	.0	11.25	10.63	21.19	8.63	1,509	1.22	1.80	- 32.2	13.1	.00a	.0		9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 35.5
Ogden Corp	N	30.13	.38	1.3	31.00	29.75	31.75	24.13	2,005	1.06	.80	32.5	13.4	1.80	6.0		9 mos.	09-84	512.8	23.7	8.2	- 44.6	.42	- 45.5	1612.4	28.5	31.4	- 23.0	1.63	- 23.5
PepsiCo Inc	N	47.00	4.25	9.9	47.00	42.25	47.00	34.50	31,177	3.33	1.42	134.5	13.9	1.68	3.6		9 mos.	09-84	1934.3	8.0	118.3	24.4	1.24	24.0	5425.9	13.3	243.9	17.9	2.57	17.4
Pillsbury Co	N	44.50	2.13	5.0	44.75	41.88	45.75	33.00	9,937	2.29	1.11	106.3	11.1	1.56	3.5		3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

The deal's the thing in deciding success or failure

By Rick Telberg
Financial Editor

Just as the housing industry has been revitalized by a break in interest rates from 1981's peak of 21% to today's 13% mortgages, so restaurant properties are changing hands at a quickened pace, according to a leading industry expert.

"The lowered interest rates have spurred a lot of turnover," said John Stefaneili, a specialist in appraising the value of restaurants who teaches at the University of Nevada in Las Vegas.

"Lowered interest rates have allowed more people to tap the equity in their homes to get into the restaurant business. And, just as home prices have risen with declining rates, the value of restaurants has too," he said.

Among chain operators, reduced borrowing costs have translated into a heady period of new construction, which now may be putting competitive pressure on the industry as chains slice the market into ever-thinner slices.

The restaurant business, for all the influence of chains, remains very much an industry of small enterprise. The typical American eating place grosses less than $320,000 per year, providing a hard-earned income for the owner-operator and a handful of wage-earners.

With half of all restaurants failing in their first year and only a third surviving through their second year, the deal that gets a seller and buyer together can plant the seeds for a restaurant's success or failure.

What's the difference between a good deal and a bad deal? "In that," said Stefanelli, "there's plenty of room for opinion depending on whether you're the buyer or the seller." Stefanelli has probed the conflicting viewpoints of sellers and buyers in his book *The Sale and Purchase of Restaurants*, published recently by John Wiley & Sons, New York.

"The major chains have very set valuation models," Stefanelli said, "but they are kept secret. If those criteria were more widely known, the entire industry would have some perspective on the benchmark prices."

One major fast-food hamburger chain, Stefanelli said, commonly buys back its franchised outlets for 50% of annual sales. "That's not a bad rule of thumb," he said.

To sellers, Stefanelli said he often advises they price their business at four times annual operating earnings, or a 25% capitalization rate. That way, a buyer's initial investment is recouped within five years, when the new owner-operator figures in his own risk and labor.

Sellers and buyers, once settling the relatively easy task of the value of the fixed assets, can haggle heatedly over the payback period.

But, Stefanelli said, nothing breaks more deals than the negotiations over the collateral for seller-financing. "A major bone of contention," Stefanelli calls it.

The buyer wants the business for as little cash outlay as possible with plans to pay the rest in installments. But the seller in carryback financing, as it is also called, is then left with mostly paper—sometimes near worthless paper if the buyer flops as an operator.

To protect himself in carryback financing, the seller wants at least the business as collateral. But after it's been run into the ground, it may not be worth much. So the seller wants the buyer's home as collateral as well.

If the buyer puts up his own house as security, he has reduced his future borrowing power to nil, and probably paid top dollar for the business as well, to cover the seller's added risk.

"If you can reduce the seller's risk," Stefanelli said, "you can probably reduce the price too." So he advises that, if sacrificing the house is necessary, get a second mortgage from a bank.

"Sellers want to sell. They want out," Stefanelli said. "A buyer can take advantage of that by reducing the price to completely free the seller of the business."

McDonald's 1984 foreign sales increase 20% to $1.9 billion

OAK BROOK, Ill. — Chicken McNuggets steamrolled through Canada, Japan and selected European markets, overpowering the effects of a strong dollar, to boost McDonald's foreign sales by 20% for the year ended Dec. 31.

With 1,709 outlets in foreign markets, an increase of 182 from the prior year, McDonald's posted foreign sales of $1.9 billion.

In addition, the world's biggest restaurant chain staked out new markets in Taiwan, Andorra and Finland.

Back home in the United States, McDonald's added 344 outlets to its system, bringing the roster to 6,595 and a 15% jump in systemwide sales to $10 billion. In the year's fourth quarter 235 new outlets were opened.

As previously reported, McDonald's net profit for the year grew 14% to $389.1 million on an 11% revenue rise to $3.4 billion.

Despite no price increases in two years, store-level sales rose at their fastest rate in 10 years, powered by Chicken McNuggets and strong breakfast sales, the company said.

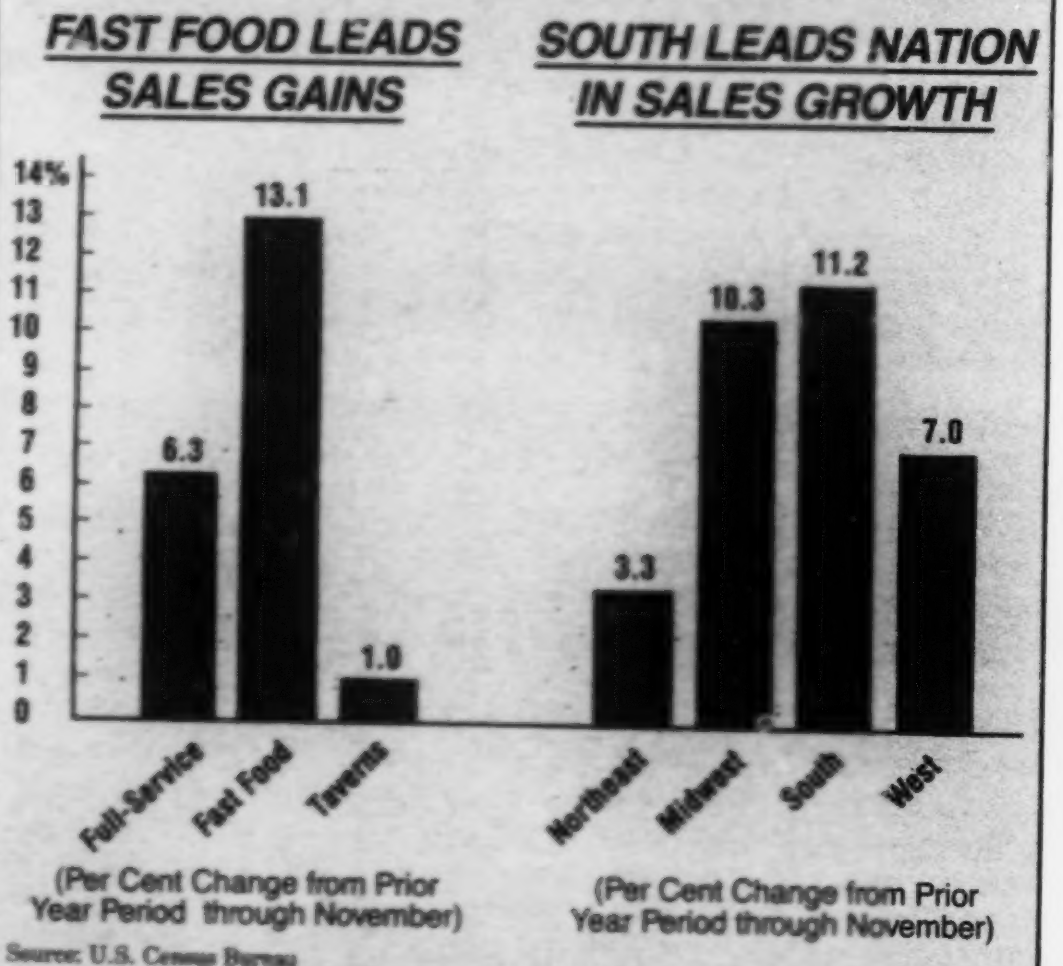
Hardee's operating profit rises 28%

MONTREAL — Imasco Ltd., the Canadian tobacco conglomerate which owns the Hardee's fast-food chain in the United States, said operating profit on its restaurant division grew 28% from a year ago to $32.1 million (Canadian) in the third quarter ended Dec. 31.

Third-quarter restaurant revenue rose 23% to $364.5 million.

For the year to date, Hardee's earned $92.8 million pretax, an 18% year-to-year gain, on revenue of $1 billion, also 18%.

Closer look at '84 industry sales



FAST FOOD LEADS SALES GAINS

(Per Cent Change from Prior Year Period through November)

SOUTH LEADS NATION IN SALES GROWTH

(Per Cent Change from Prior Year Period through November)

Source: U.S. Census Bureau

New data from the U.S. Census Bureau suggests 1984's estimated 8.4% annual industry sales growth rate was powered upward by fast-food outlets and dragged from behind by taverns. Other data showed that the South led the nation. The data shows the percentage change in sales for the 11 months through November from the 1983 period.

WALL STREET UPDATE

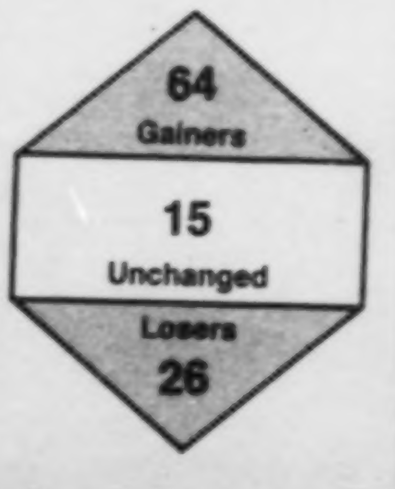
Index rises 1.1 to 117 in ongoing market rally

NEW YORK — The *Nation's Restaurant News* Stock Index continued a five-week rally, rising 1.1 points in the week ended Feb. 8 to close at 117, the highest point since the measure's inception in October 1983.

Issues advancing in price surpassed issues declining in price 64-to-26, with 15 unchanged, on the broader, 105-stock listing, which includes lodging and diversified companies.

The 87-stock, market value *NRN* Index has risen 14 points in the 1985 rally, which began from a low of 103 on Jan. 4. The *NRN* Index's previous high of 111.9 on Oct. 19 was battered to 102.7 on Dec. 14 during year-end jitters about the American economy's direction.

The Dow Jones Industrials Average in the week ended Feb. 8 gained 12.25 points to 1,289.97, falling shy of the vaunted 1,300-mark, while other market gauges continued to score record highs.



*(See **INDEX**, page 108)*

Saga net profit increases 15% for 2nd quarter

MENLO PARK, Calif. — Saga Corp. reported a 15% year-to-year increase in net profit for the second quarter ended Dec. 29, crediting the Black Angus/Cattle Company Restaurant chain and corporate food services with "strong contributions" to the improvement.

Second-quarter net profit of $13.8 million came on revenue of $331 million, up 9%.

For the six months ended Dec. 29, net increased 19% to $19.4 million. Revenue increased 11% to $603 million.

The performance of Black Angus and corporate food services "more than offset" the performance of the restaurant and fast service restaurant groups as a whole, Charles Lynch, Saga chairman, said.

National Pizza Co. profit flat due to California expansion

PITTSBURG, Kan. — High costs associated with development of the sprawling California market held Pizza Hut franchisee National Pizza Co.'s net profit flat at $851,451 for the third quarter ended Dec. 25.

Revenue in the quarter was up 14% to $9.9 million.

For nine months net profit was unchanged at about $2.83 million, while revenue rose 12% to $30.3 million.

Other reasons given by the company for the sluggish profit performance were "continued aggressive use of advertising and promotions," one-time higher outside consulting fees, and high new-restaurant costs.

Last month the company said it had reached an agreement in principle to acquire 36 Pizza Huts, mostly in the South, from other franchisees. The acquisition, expected to be concluded during this quarter, would give the company 131 Pizza Huts.

The franchisee is also building or planning six new restaurants in California, which will increase its presence to nine.

This Kansas-based franchisee made its initial public offering last August.

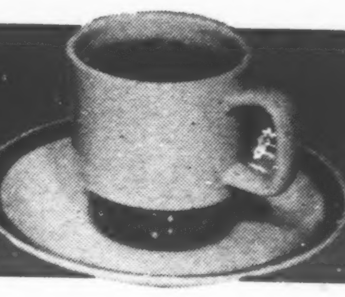
C5150-5

Specialty Restaurants built on casual themes

—Focus/F3-4

Fancy coffees: Are spiced-up after-dinner javas profitable?

—Page 11



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February 25, 1985

Carl's Jr. cuts dinner program

Sharp profit slump forces return to basic format

By David Zuckerman

ANAHEIM, Calif. — After nearly two years of planning, testing and refitting units with new equipment, Carl Karcher Enterprises (CKE) has begun phasing out its dinner program at Carl's Jr. restaurants in selected California markets.

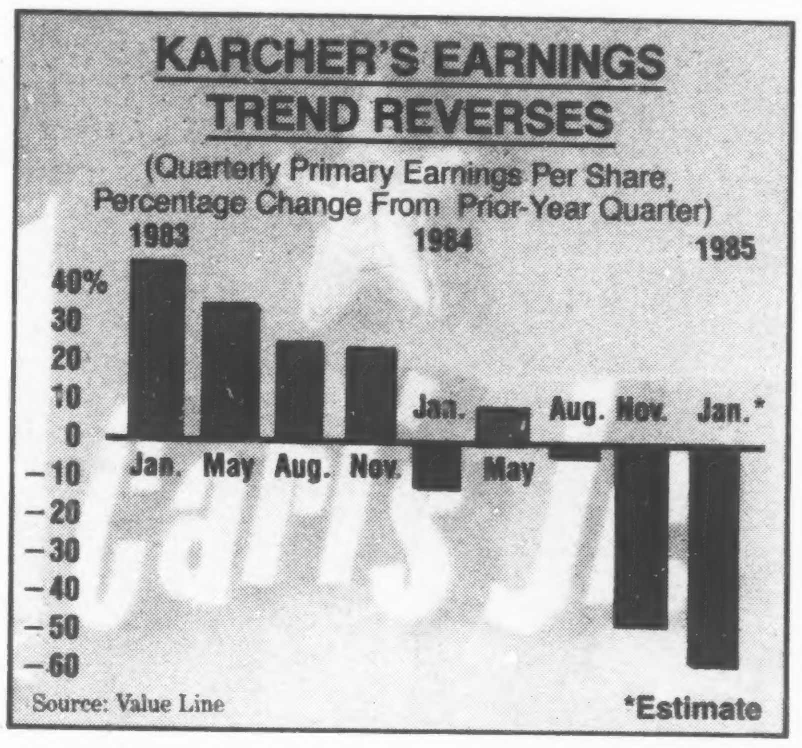
The move follows a severe year-to-year earnings decline in the third quarter of fiscal 1985 and a probable dropoff in the unreported fourth quarter, ended Feb. 2.

"Dinners are being phased out in selected regions where they are not earning their keep," the company said in a terse statement. "We feel the concept still has potential but it requires a larger investment in advertising and promotion than we are able to justify at this time."

Problems began to surface following the second quarter, ended Aug. 2, when Karcher's net profit showed a modest year-to-year decline of 1%. Earlier company projections called for a strong earnings rebound in the third and fourth quarters when the highly touted dinner program was supposed to take hold. Instead, profits in the November quarter slumped nearly 50% compared to 1984.

The Charbroiler dinners, served on metal plates with real flatware, garnered no more than

(See **CKE**, page 13)



KARCHER'S EARNINGS TREND REVERSES

(Quarterly Primary Earnings Per Share, Percentage Change From Prior-Year Quarter)

Source: Value Line

*Estimate

Greyhound seeks chain acquisitions

Accelerates BK expansion; tests T. J. Twiggs' concept

By Charles Bernstein

PHOENIX — Greyhound Corp. and chairman-ceo John Teets now interpret "Go Greyhound" as meaning "Go Food Service."

John Teets

Joseph Fassler

Teets and Greyhound Food Management president Joseph Fassler are launching a tremendous effort to raise Greyhound's food-service stake dramatically with a new prototype T. Twigg's (Greyhound's own version of Fuddruckers) being tested in Evansville, Ind.; a doubling or tripling of the 32-unit Burger King bus terminal franchise operation by locating free-.

(See **GREYHOUND**, page 47)

Lawsuit threatens Godfather's

By Don Jeffrey

ITASCA, Ill. — A suit by the largest Godfather's franchisee, 125-unit Concept Development, against franchisor Diversifoods is the most serious threat so far to the pizza chain already troubled by falling profits and average store sales, a poorly executed new-product rollout and turmoil in top executive ranks.

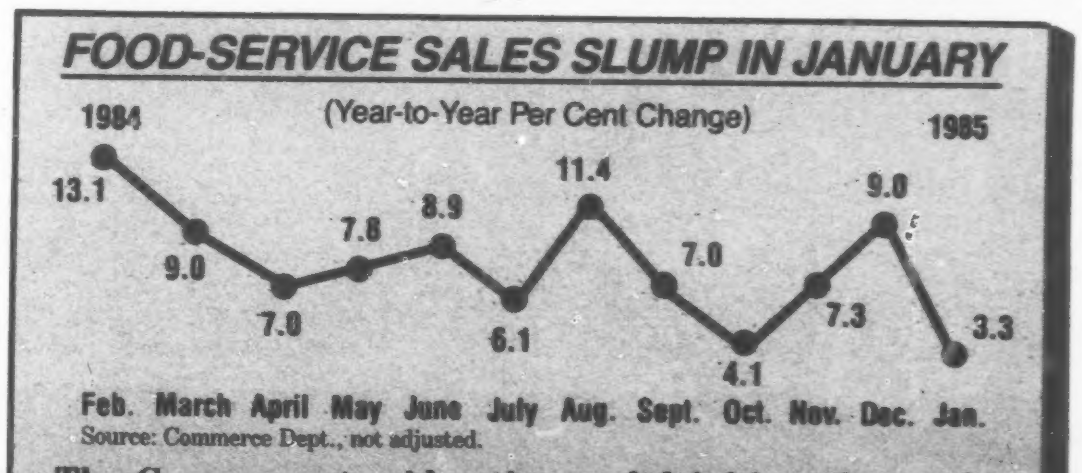
Related story on Noble Roman's purchase of 17 Ohio Godfather's, page 4.

The suit, filed in Federal Court in St. Louis, seeks $40 million in damages and, more important, an end to the franchise agreement.

Diversifoods spokesman Ken Pieper said, "We are in the process of reviewing the suit." He had no further comment.

Meanwhile, Illinois-based multiconcept Diversifoods has completed a reorganization of the top executive positions at four of its five concepts, a process begun last month when parent company chief executive Don Smith and Godfather's chief executive Charles Boppell were forced to resign.

(See **GODFATHER'S**, page 12)



FOOD-SERVICE SALES SLUMP IN JANUARY

(Year-to-Year Per Cent Change)

Source: Commerce Dept., not adjusted.

The Government said eating and drinking place sales rose only 3.3% in January from the year before. Analysts blamed harsh weather. (Full story, page 2.)

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Selvaggio: Only appetizers

Valentino's owner opts for new restaurant

By Richard Martin
West Coast Editor

SANTA MONICA, Calif. — Restaurateur Piero Selvaggio is out to shape future fashions and trends in Italian dining through a new restaurant dedicated to "the 'extreme' appetizer."

The energetic authority on Italian wine and gastronomy, whose internationally acclaimed restaurant here, Valentino, helped define the concept of *nuova cucina* for American palates, is opening Primi, un Ristorante, with a menu featuring a rarefied array of first-course dishes.

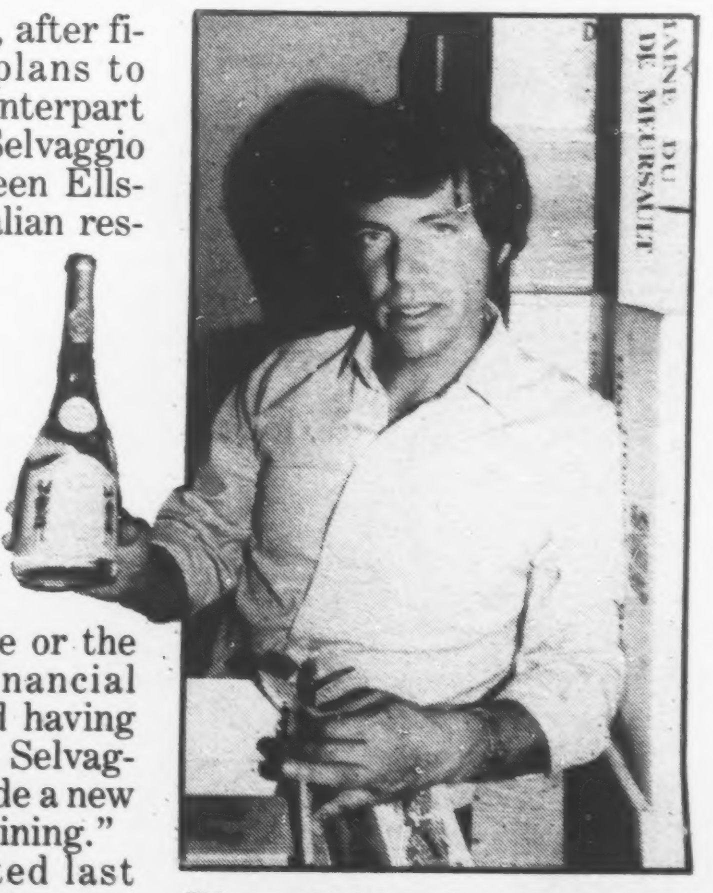
Selvaggio wants Primi (short for *primi piatti*, or first courses) to showcase inventive versions of antipasto, pasta, risotto, hearth-baked breads—in fact, "anything that is not a main course."

Earlier this month, after finally abandoning plans to open a Valentino counterpart in New York City, Selvaggio bought friend Kathleen Ellsworth's northern Italian restaurant, Mangia, as a site for Primi, just a short distance from Valentino down Pico Boulevard in West Los Angeles.

Unfettered by either the strenuous, bicoastal lifestyle or the partnership and financial strains he anticipated having to face in New York, Selvaggio is now free "to guide a new style of cooking and dining."

Valentino, inducted last year into *Nation's Restaurant News'* Fine Dining Hall of

(See **SELVAGGIO**, page 47)



Piero Selvaggio, owner of the acclaimed Valentino restaurant.

NRN NEWS DIGEST

Red Lobster can use 'Alfredo'

ORLANDO, Fla. — A U.S. District Court judge has declined to issue an injunction against General Mills' Red Lobster chain for using the term "Alfredo" with some of its menu items.

The judge said that "Alfredo is a style of cooking open to the public domain," but he may still hold a full hearing on the matter.

The injunction was sought by Guido Bellanca, chairman and president of Alfredo the Original of Rome Inc., who is appealing the judge's preliminary ruling. Bellanca has also filed a civil suit against the Orlando-based parent company for infringing on his exclusive United States rights to the Alfredo name.

Warner closes 7 of 9 Gadgets

GADGETS
RESTAURANT & BAR

RUTHERFORD, N.J. — Warner Leisure has padlocked and permanently closed seven of its nine remaining Gadgets restaurants. Denver and Westbury, L.I., remain open while Fort Lauderdale, Tampa, Ocean Township (N.J.), Towson, (Md.), Atlanta and two in Houston are shuttererd with the sites up for sale. Robert Petrallia, Warner Leisure president and virtually his entire staff here, have resigned.

Warner Communications had come under increasing pressure to close most of the units after pouring millions of dollars into them without receiving any resemblance of a satisfactory return.

Domino's gets $102M credit line

ANN ARBOR, Mich. — Domino's Pizza Inc., a 1,900-unit pizza-delivery chain, said it had secured a $102 million credit line from a nine-bank group that would fund a doubling of the chain's company-owned store base to 1,200 over the next three years.

Quilted Giraffe stretches neck

NEW YORK —Quilted Giraffe owners Barry and Susan Wine plan to open a second operation called the Quilted Giraffe Café in the arcade of the new AT&T headquarters later this year. The 90-seat café will feature "upscale" take-out food including a $10 to $15 box-lunch special prepared daily. The Quilted Giraffe, which was slated to move to the AT&T building this year, will remain at its present address.

Imperial concerned about HoJo

LONDON — Still "concerned" about the problems at Howard Johnson Co., parent Imperial Group Plc. plans to decide "as soon as possible" on whether to sell or attempt to turnaround the North Quincy, Mass.-based holding, said Imperial chairman Geofrey Kent in an annual statement to shareholders.

WALL STREET UPDATE

NRN Index continues to climb

NEW YORK — The *Nation's Restaurant News* Stock Index advanced about 2.5 points in the period ended Feb. 13 to close around 119.5, a record level for the fourth straight week. The Dow Jones Industrial Average for the three-day period went up 7.95 to a record 1,297.92 closing, reflecting the continued optimism about the economy and a stock-buying spree on Feb. 13. However, food-service losers outpaced winners 5-to-4.

(Full tables, charts and analysis, pages 48-50)

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Vol. 19, No. 9

February 25, 1985

Sage's eyes 'mocktail' bars

Seen as answer to drunk driving laws

By Ken Frydman

CHICAGO — As restaurant and bar operators across the country scramble to protect themselves from strict drinking and driving laws, Eugene Sage thinks he may have a solution: alcohol-free bars and lounges.

Sage, owner of four well-known restaurants in and around Chicago, said he is seriously considering leasing new food-service sites here and creating nonalcoholic establishments featuring alcohol-free beers and wines, soft drinks and "mocktails."

To make his plan work, Sage must maintain the profit margin and ambience common to the bar/lounges in his other operations—Sage's Sages in Arlington Heights, Sage's on State and Eugene's in Chicago, and Sage's West in Downer's Grove.

"The solution to the DUI [Driving Under the Influence] is to balance responsible alcohol service with optimum profit," Sage said. "We can still run a 22% beverage sales ratio serving nonalcoholic drinks and give the public the right to choose."

In the meantime, Sage is shifting the emphasis on drinking from the bars and lounges to the dining rooms of his four operating restaurants. In that way he can service more responsible drinkers, reduce the likelihood of his being held liable in third party liquor liability cases, and tie-in beverage sales with menu merchandising.

"In a 260-seat dining room we can meet or exceed the business we do in our 18-stool bars and lounges," said Sage. "By pushing before and after dinner drinks, wine with meals, and Irish Coffee after dinner I'm maintaining my ratio and reducing my risk."

Sage is taking various other measures to reduce his risk. He has implemented a server training program for all bar-

(See SAGE, page 47)

Sage

Dairy Queen plans 'blizzard'

By Mark Schoifet

Dairy Queen

MINNEAPOLIS — International Dairy Queen is adding a blended ice cream product called a blizzard at about 75% of its 4,700 units this spring, according to president and chief executive Harris Cooper.

Cooper said customers will be able to choose their own blend of cookies and candy with soft ice cream. Blizzards will be served in cups at suggested prices ranging from 99¢ to $1.79.

"As a new product development I expect it will be as great, if not greater, than the 'Peanut Buster Parfait,'" Cooper said, referring to Dairy Queen's successful hot fudge and peanut sundae.

The introduction of the blizzard comes on the heels of Dairy Queen's rollout last year of its Queen's Choice hard ice cream. The hard ice cream, now in 1,300 stores, accounts for between 5% and 7% of sales, Cooper said.

Meanwhile, Dairy Queen reported that earnings for the year ended Nov. 30 increased 7% to $7.7 million from $7.2 million. Revenues for fiscal 1984 increased 13% to $132 million.

Frisco strike drags on

Twelve restaurants yet to sign contracts with union

By Alan Liddle

NRN San Francisco Bureau

SAN FRANCISCO — While the great majority of the 76 restaurants in this city that had union contracts lapse between September and October have negotiated new agreements, the strike drags on for 12 restaurants.

The major points of contention remaining, representatives of the restaurant owners and Local 2 of the Hotel and Restaurant Employees and Bartenders' Union say, are seniority rights and "amnesty," or the guaranteed rehiring of all strikers.

Owners of four restaurants have petitioned the National Labor Relations Board (NLRB) to hold decertification elections in an effort to oust the union.

The 12 restaurants yet to sign new contracts are part of an 18-member group that broke away from the 100-

(See STRIKE, page 13)

Ernie's is one of 12 restaurants still under the gun.

Winter weather chills industry sales

By Rick Telberg

Financial Editor

WASHINGTON — The Government's broadest and earliest measure of food-service industry sales slumped to a bare 3.3% year-to-year gain in January as harsh winter weather kept an increasingly thrift-minded consumer at home.

The Commerce Department said eating and drinking place sales in January were $9.5 billion, a slight gain from January 1984's $9.2 billion sales level. The month's small advance could be wiped out if the menu price inflation rate held in January to its 1984 4.2% annual average.

"I think our contacts in the industry will confirm that there was indeed a slowdown in January, probably due in large part to the harsh winter weather and tough year-to-year comparisons," said Leslie Steppel, an industry analyst at Prudential-Bache in New York.

On a seasonally adjusted basis, January's industry sales slipped 1.2% from December while overall retail sales in the nation rose 0.7%, the Commerce Department said. Commerce Secretary Malcolm Baldrige saw an upward trend in consumer spending boosting domestic production and employment.

But private economists have suggested that consumers are slowing their spending due to rising consumer debt and diminishing income gains.

(See SALES, page 47)

Harvin quits Gatti's

Resigns after serving five months as 328-unit pizza chain's president

AUSTIN, Tex. — Roger A. Harvin has left Mr. Gatti's after having served for only five months as president and chief operating officer of the 328-unit pizza chain.

L. D. Brinkman, chief executive officer of Mr. Gatti's and chairman of parent-company L. D. Brinkman Corp., has assumed the title of president.

According to Herb Bradshaw, executive vice president of Brinkman Corp., Harvin's departure was a result of his inability to meet objectives set when he assumed the title last October. Although he termed the parting "amicable," Bradshaw said that "neither Harvin nor Brinkman were totally satisfied with the progress [Harvin] was making."

Bradshaw explained Harvin had been brought in to tighten operating margins and food and labor costs as well as to oversee a systemwide facelift of Mr. Gatti's stores. "He was making progress," Bradshaw continued, "but not enough."

Bradshaw added that the chain was also seeking to boost average store sales. "As we looked at the company, we felt that there should be an emphasis on managing the revenue side," he said. "Marketing and revenues are not Harvin's forte."

Harvin was not available for comment.

Roger Harvin, left, reportedly resigned from Mr. Gatti's because of his inability to meet objectives set when he joined the chain.

By assuming the title of president, Brinkman will be taking a more "day-to-day interest" in Mr. Gatti's operations—a situation which could last anywhere from 18 to 24 months, said Bradshaw. However, many of Harvin's responsibilities will fall to Gary Lomax, who joined the company in January as vice president of franchising and marketing, but will now move up to executive vice president.

Additional key appointments at Mr. Gatti's include Paul David to group vice president for franchising; John Kapp to national operations manager, and T. G. Radcliffe to executive vice president of finance.

Mr. Gatti's currently has 93 company-owned stores and 235 franchised stores. Revenue for fiscal 1984 ended July 31 totaled $4.41 million, and operating income for the same period totaled $3.20 million. Bradshaw noted that systemwide sales were up over 1983.

Noble Roman's acquires 17 Ohio Godfather's outlets

Two purchases result from sale offer by franchisees

By Patricia Stoll
Midwest Editor

BLOOMINGTON, Ind. — Seventeen Ohio units of the beleaguered Godfather's pizza chain will be converted into Noble Roman's restaurants by early April, according to Paul W. Mobiey, president of Noble Roman's, an 88-unit pizza chain headquartered here.

Seven of the Godfather's units, in Dayton, were purchased by Noble Roman's Inc. from companies controlled by Peter Knott of Omaha, Neb., Godfather's Dayton-area franchisee. The other 10 units in Cincinnati were sold by Godfather's franchisee GSP Inc. to Noble Roman's franchisee Robert Supple of Indianapolis, president of Ohio Star Pizza Inc. and a director of Noble Roman's Inc.

"Both purchases are the result of inquiries initiated by Godfather's franchisees and permitted us to accelerate our expansion plans for two important Noble Roman's markets," said Mobley.

In the past year, the franchisees have watched as Godfather's has undergone a disastrous pan-pizza rollout, inflated food costs and declining profits and an unsuccessful leveraged buyout of parent Diversifoods. After the buyout fell through, Donald N. Smith, corporate president and chief executive of Diversifoods, and Charles L. Boppell, chief executive of Godfather's, were forced to resign.

According to Mobley, six of the seven Dayton Godfather's purchased by Noble Roman's Inc. will close March 15 for a five-day period to undergo kitchen modifications and dining-room decor upgrading and receive new signage. The seventh Dayton-area unit, in Troy, will be closed down for a longer period for a more complete remodeling of both the interior and exterior.

The Cincinnati restaurants purchased by Supple, which also will be completely redecorated, are scheduled to reopen April 5.

According to Mobley, Supple plans to build 11 more restaurants during the next four years, which will increase the number of Cincinnati-area Noble Roman's to 24. That figure includes two units in Middletown and Westchester, plus another unit planned by the Middletown franchisee.

When the Godfather's conversions are completed, the number of Dayton-area Noble Roman's will total 22, including a new unit currently under construction and scheduled for a mid-March opening.

Recently, Noble Roman's made news when it introduced "international" pan pizzas. The pizzas, in Greek, Mexican and Polynesian varieties, reflect the California-cuisine trend toward imaginative new combinations of pizza toppings.

Noble Roman's trading area, in addition to Indiana and Ohio, includes Illinois, Kentucky, Michigan, Wisconsin and Florida.

COMMODITIES

Fruit, vegetable prices begin to climb; meat stable

NRN Special Report

Fresh vegetable prices, particularly in the East and parts of the Midwest, should be climbing now as a result of the Florida freeze. Amazing most observers was the quick reaction of American importers (and Mexican growers) who managed to flood the market with tomatoes and green peppers in the two weeks following the freeze. By Feb. 11, prices on tomatoes had fallen below prices on the eve of the freeze, and pepper prices were trending lower to that point.

Although the freeze has affected the prices of cabbage, green beans, squash and sweet corn, today's rapid transportation system and the desire of other countries to share in the United States market has made it easier for brokers to obtain replacement produce. Squash, which initially vanished from eastern dealers' inventories, has appeared—at higher prices—from California and Arizona.

The freeze hit Florida's vegetables unevenly. Celery, for example, is grown far south, near the Everglades, and most of it survived intact. About 40% of the tomatoes and eggplants survived. On the other hand, just about all (90% or more) of the green beans and squash were wiped out. Some 20% of the sweet corn and green peppers survived

Heavy buying by Eastern and Midwestern dealers may drive up the prices of those vegetables in other producing areas. Producers and packers are diverting product out-of-region for the high dollar being offered, thus pushing up prices in all regions.

Lettuce prices have drifted lower in the West, with iceberg down around $1 a case since the Florida freeze. California carrot packers are quoting prices about the same as on Jan. 20. In Eastern markets, however, some operators are complaining of continued high prices on *all* fresh vegetables, claiming some produce dealers are taking advantage of the Florida disaster.

Look for the situation to ease in late March, with normal supplies by April, and even heavy supplies in late April and May. Although normally Florida growers stagger plantings, almost all of them have replanted the lost acreage, which will come to harvest in the same time period. Shortages and high prices in some produce will continue until April, but supplies from one source or another should be available.

On Feb. 11, the U.S. Department of Agriculture issued its post-damage estimate of Florida's orange juice production this year at 1.33 gal. of juice per box, actually up from last year's 1.289 gal., but down from the 1.46 gal. the industry had been getting in January prior to the freeze. Florida's final orange production is expected to be 104 million boxes, down 11% from last year. (The total United States orange crop is expected to be 161 million boxes.)

Brazil supplied half of the frozen orange juice concentrate shipped by Florida packers in 1984, and should be able to supply the larger quantity needed this year without shorting its other—mostly European—export customers. Brazil had a record crop of over 190 million boxes last season, and the estimate for this year's crop is 220 million.

The queston is whether Brazil will raise its concentrate prices to the United States. In the past three or four seasons, it has limited increases to levels below what it could expect to get during a shortage. But with Florida stocks depleted and already low production off another 11%, some economists expect a steep hike in Brazil's product.

Although December's feedlot placements were down for the first time in six months, there are still about 6% more cattle on feed than there were last year at this time.

PRICE MOVEMENT AT A GLANCE

	Feb. 11 1984	Jan. 11, 1985	Feb. 11, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$ 1.03	$ 1	$ 0.99
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$ 0.6527	$ 0.5645	$ 0.5779
Coffee, green bean, Brazilian, N.Y.C. dock (lb.)	$ 1.50	$ 1.37	$ 1.45
Eggs, Grade A, large white, Chicago (doz.)	$ 1.04	$ 0.53-0.55	$ 0,52-0.55
Lettuce, iceberg, No. 1, Calif. (24s)	$ 3-3.50	$ 6-8	$ 5-6
Orange juice concentrate, frozen, Florida (12/32 oz.)	$24.18	$25.60	$27.20
Pork Loins, No. 1 14-17 lb., Midwest (lb.)	$ 0.98	$ 0.98	$ 1.02
Potatoes, frozen french fries, Idaho Extra Fancy Longs (lb.)	$ 0.31-0.32	$ 0.33-0.36	$ 0.34-0.35
Tomato paste, Fancy 26%, Calif. (6/10)	$22-23	$17-18	$17.50-18

Source: NRN *research*

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

Greyhound boosts food

(Continued from page 1)

standing Burger Kings in the same markets; negotiations for one or two possible chain acquisitions, and a stepup of GFM's Prophet Foods' contract feeding business to extend into white-collar office buildings.

The target is to boost annual food-service volume from a current $400 million to $1 billion in the next four years and to substantially raise food-service profits, which were flat at about $24 million last year due to the previous conclusion of the lucrative three-year Saudi Arabian pipeline contract.

Greyhound officials would not identify any of the acquisition prospects other than to say, "It's been narrowed down from an original list of 23 to seven finalists. Fast-food chicken and pizza as well as coffee shops might be preferred for future growth."

Teets, who rose to chairman through the food-service ranks, and Fassler are convinced any acquisition must have rapid national rollout potential or already be national.

Greyhound reached a tentative agreement a year ago to acquire the 50-unit Peter Piper Pizza chain here, but the deal fell through—a fact that some now say was for the better in Greyhound's future growth chart.

SPECULATION on the finalists centers on all or part of Howard Johnson or possibly a chain like Phoenix-based Swenson's or New Orleans-based Popeye's fried chicken. But none of these could be confirmed as in the running.

Greyhound previously acquired six Briarpatch steakhouses in Kentucky and Indiana but apparently is going with its own Twigg's as a potential new chain prototype. The 195-seat Twigg's features "gourmet" burgers but also fresh-baked breads and pastries, char-broiled specialties and fresh-cut meat and seafoods openly displayed. A second test Twigg's may be launched in a more stategic location than Evansville.

BURGER KING

Burger King unit in Omaha operated by Greyhound. The company plans to double or triple its 32-unit BK franchise by building freestanding units in GFM's markets.

Even with severe losses in the bus lines, Greyhound Corp. achieved a $125 million net profit in 1984, compared with $105 million in 1983. Teets has been spending much of his time trying to straighten out the bus lines.

After overcoming a bitter 47-day bus strike in late 1983, he has been coping with bus deregulation and the resulting numerous new bus competitors and airline price-cutting.

Greyhound now is busing passengers in major cities to airport terminals and is letting other regional bus companies use its logo and facilities for a fee.

GREYHOUND, WHOSE stock has doubled since Teets moved up to chairman in 1982, is considered a prime takeover target itself because of its undervalued assets, its growing food-service division, Dial soap and Armour consumer products, a profitable insurance and equipment-leasing subsidiary, bus manufacturing operations, ownership of some 125 valuable bus terminals and over five million shares of ConAgra stock worth some $150 million.

But Teets says he has no intention of being acquired and is determined to move ahead with a streamlined Greyhound Corp. expanding its food-service interests through a fine-tuned blend of Burger Kings and other chains.

Selvaggio branches out

(Continued from page 1)

Fame, will support Primi with its vast and legendary wine cellar and the supply lines for premium ingredients that Selvaggio has painstakingly built up over the restaurant's 13-year history.

While customers of Valentino relish its baby kid, lamb, veal, fish and other main-course specialties, Selvaggio says the dining needs of others are not met by the restaurant's classical format.

For many, he says, "a long dinner has become a boring experience." Primi, scheduled to open about May 1 as the "modern son of Valentino," would offer a more contemporary, casual ambience and a broad, "unstructured" menu of smaller items priced mostly from $7 to $10.

Per-person checks could range from about $12 to as high as $40 or $50, Selvaggio says, compared to the standard $50 tab at Valentino.

ANTICIPATING THAT experimental patrons will want to sample a large variety of Primi's relatively complex dishes, Selvaggio expects labor costs to run higher than at Valentino. However, food costs should run only 22%-25% due to the virtual absence of flesh foods, compared to the 42%-44% at the full-course Valentino.

Aside from meats, customers will still have the broad range of choice—even rare—ingredients that has made Valentino famous. (Valentino's late-season access to fresh imported white truffles in February—a feat Selvaggio says was matched only by New York's Le Cirque—attests to the restaurant's purchasing strength.)

While poring over a blueprint of Primi, Selvaggio described a typical menu that a single table of diners might order;

- Croquettes, some stuffed with a puree of wild mushrooms, others with smoked ricotta and broccoli;
- Warm Belgian endive spears stuffed with smoked pheasant;
- A carpaccio "purse" stuffed with crunchy monk beans and topped with shredded parmesan;
- Mini cornflour crêpes stuffed with duck and porcini mushrooms, served in a port wine sauce colored with red and green sweet peppers;
- Mini spinachflour crêpes stuffed with shredded veal and sweet onion;
- A "mountain" of roasted baby eggplant heaped over a bed of goat cheese;
- A variety of sausages, made from New Zealand wild boar, venison and lamb;
- Black (from squid ink) risotto and truffle risotto. (Selvaggio intends to make risotto, the creamy-yet-firm rice specialty, a less "misunderstood" dish);
- A "pyramid" of sorbetto, with blueberry, raspberry and white chocolate layers, set in a puree of kiwi fruit.

To cap this little repast, Selvaggio would suggest a dish of poached pears, stuffed with Gorganzola cheese, floating in zabaglione and topped with a spun-sugar net. Or perhaps ricotta cheesecake studded with raisins and blueberries.

"Insofar as taste, these are many dishes, but very little quantity," he assured.

HOPING TO make Primi a late-night (11 a.m. to 1 a.m.) restaurant attraction in a town that has few such spots, Selvaggio is working closely with European-trained commercial interior designer Carolyn Shanks on lightening up and modernizing the recently formalized Mangia decor. A reflective ceiling will be installed, walls will be removed to expose the existing kitchen, a take-out counter may be installed at the front end of the dining patio, and a narrow angular counter for single diners will be erected near the brick bread oven.

Sage to try 'mocktails'

(Continued from page 2)

tenders, waiters and waitresses; eliminated 2-for-1 drink discounts, giveaways and other liquor-related promotions; developed a designated driver program for patrons who have had too much to drink, and instituted a server intervention course through the national Health Education Foundation.

Over four training days, Sage's service staff is taught to spot and handle drunken customers. A test, independently graded in Washington, D.C., is then issued; employees must pass it within two attempts or they're fired. Thus far, 97% of Sage's servers and managers have passed.

Sage is also offering patrons high-protein hors d'oeuvres during cocktail hours and cheese and breads 30 minutes before his restaurants close "to get something in their systems before they go out and drive," he said.

To help protect his fellow Illinois restaurateurs from the possible loss of liquor licenses and increased insurance premiums, Sage is working with a Government task force investigating driving under the influence cases.

Cold winter chills sales

(Continued from page 2)

"I've never seen a slowdown like this," said Chris Hotze, president of Maverick Restaurant Corp. in Wichita, Kan., which operates 18 franchised Grandy's outlets in seven states.

"All segments of the industry appear to be soft," Hotze said. "Usually when one segment is down, another is up."

IN ADDITION, the Commerce Department revised December and November figures downward. December's 10.8% gain was reduced to 9%. November's was reduced from 7.8% to 7.3%.

The revisions updated total 1984 eating and drinking place sales to $125.3 billion.

The slowdown in January figures to make the first quarter of 1985 especially hard for restaurant companies, which are already facing tough comparisons to last year when a national economic boom, new menu products and promotions powered an industry-wide 11% sales gain, analysts said.

Taco Bell tests products

(Continued from page 3)

erages close to the $550,000 mark.

President John Martin did predict that the average unit volumes would top $1 million in 1989, when the chain would comprise over 4,000 outlets.

Taco Bell has bumped its 1985 ad budget to about $55 million this year, and will spend a big chunk of it in March introducing three new platter combination plates. A Saucy Burrito Supreme, taco and beans combo will sell for about $1.89. A Taco BellGrande, bean burrito and nachos will be 10¢ less. Substitute a Taco Light for the BellGrande item and the price drops another dime.

Testing of fajitas, to be rolled out in 1986 for about $3, marks a major new step for the chain that got its initial high-volume impetus from founder Glen Bell's invention of the preformed taco shell in the early 1960's. For its first nonground beef item, Taco Bell intends at first to use skirt steak strips in its flat-top grilled fajitas dish, which will include grilled onions and bell peppers. It will be served with steamed tortillas and guacamole.

The limited availability of skirt steak for an operation of Taco Bell's magnitude would mean that round steak will probably be substituted before rollout, a Taco Bell official indicated. A separate guacamole menu item could be introduced with the fajitas rollout next year, the official said.

To cook the fajitas, a trendy best-seller in Mexican chain dinnerhouses last year, Taco Bell will be exploring various unspecified cooking methods, the simplest of which would probably be installation of a griddle over part of the existing five-burner ranges used to cook beans and ground beef.

The current introduction of steam-jacketed kettles, one of several kitchen equipment upgrades being made to keep pace with new products, would help free the ranges for fajitas preparation.

While working out such logistics, Taco Bell will be readying the summer rollout of Mexican Pizza at about $1.79. The new item is made of two fried flour tortillas, layered with beans, meat, sauce and tomatoes, and topped with melted cheddar and jack cheeses. Wedge cut, the item is a pizza lookalike.

Word of other intriguing plans for future development circulated during the chain's "summit conference." Taco Bell executives declined to comment on reports of plans for a joint venture with an oil company for development of "skinny-minny" drive-thru units at gas stations.

Franchisees were shown slides of two portable Taco Bell restaurants, with $2,500-per-hour sales capabilities, that were recently used at a golf tournament in Los Angeles.

Nation's Restaurant News
FRESH NEWS EVERY WEEK.

NRN Index still climbing as Dow hits all-time high

(Continued from page 50)

Benihana was the third-leading winner of the period, closing 14.8% higher at $1.38 a share. During the week, the chain reported net income of $688,000 for the year ended Dec. 30, its first full reporting year as a public company.

Max & Erma's 11-unit dinnerhouse chain was the leading winner of the period, closing 17.4% higher at $3.38 a share. Despite a loss of $761,000 in the last fiscal year, the chain has put into effect a turnaround strategy that includes menu revisions and a new site-selection policy.

Peoples Restaurants, a 26-unit Texas-based family-restaurant chain, was the leading loser of the period, down 22.2% to close at 44¢ a share.

Among widely held issues, Winners Corp. was the leading winner, closing 15.1% higher at $7.63.

Results in the fast-service burger segment were mixed. While Wendy's was up 2.6% to $19.75 a share, McDonald's was down 2% to $60.88. Burger King, the second largest burger chain, is part of diversified Pillsbury, whose stock price went up 2.2% to $45.50. Carrols Corp., an important Burger King franchisee, declined 1.2% to $10.63.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Hambrg Hamlet ..... O	316.7	Benihana Natl ..... M	153.9
USACafes ..... M	232.5	Shoney's Inc ..... M	121.5
JB's Rest ..... M	183.5	Max Erma's ..... O	111.0
Sandwich Chef ..... M	173.9	Restaurant Sys ..... M	87.3
Intl Dairy Queen ..... O	156.5	DLites Of Amer ..... M	83.4

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Max Erma's ..... O	17.4	Flakey Jakes ..... M	12.5
Winners Cp ..... N	15.1	Pizza Inn ..... A	10.8
Benihana Natl ..... M	14.8	TGIF Texas ..... O	5.6
Esteban Foods ..... O	14.3	Cucos Inc ..... O	5.3
Capt Crab ..... M	12.5	Taco Viva ..... M	5.0

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Peoples Rest ..... M	- 22.2	Ritzys G D ..... M	- 10.3
Garcias Scot ..... M	- 17.0	1 Potato 2 ..... O	- 8.7
Nankin Express ..... O	- 14.3	Hambrg Hamlet ..... O	- 8.6
Fresher Cooker ..... O	- 13.3	Naugles Inc ..... M	- 7.8
Beefsteak Char ..... A	- 10.5	Hungry Tiger ..... M	- 7.7

Company and Market	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	2-13-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ..... M	5.63	- .13	- 2.2	5.75	5.25	7.50	3.50	387	1.08	.78	38.5	16.1	.00	.0	.....	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rests ..... O	4.50	.00	.0	4.63	4.50	5.00	3.50	135	.54	.70	- 22.9	18.0	.00	.0	.....	fiscal	10-84	10.3	5.1	.3	NE	.11	NC	38.6	1.8	.6	NE	.25	NC
Amer Rest ..... O	3.75	.00	.0	4.25	3.75	6.00	2.38	100	.44	1.03	- 57.3	19.7	.00	.0	.....	9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts ..... M	12.00	- .25	- 2.0	12.25	11.75	17.13	10.50	461	1.04	3.14	- 66.9	14.5	.12	1.0	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char ..... A	2.13	- .25	- 10.5	2.25	2.00	4.63	1.75	417	.74	.93	- 20.4	NE	.00	.0	.....	fiscal	10-84	23.5	7.8	(6.3)	NE	(1.13)	- 100.0	92.2	- 3.2	(8.0)	NE	(1.43)	- 100.0
Benihana Natl ..... M	18.38	2.38	14.8	18.63	16.38	18.38	4.50	2,290	8.05	3.17	153.9	27.4	.00	.0	.....	6 mos.	09-84	10.3	110.2	.4	33.3	.15	7.1	24.3	145.5	1.1	57.1	.39	39.3
Bob Evans Farms ..... M	19.25	.25	1.3	19.25	18.75	20.25	14.75	1,419	.87	.73	19.2	18.7	.30	1.6	.....	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp ..... M	1.38	.00	.0	1.38	1.25	9.00	1.00	49	.16	.53	- 69.8	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food ..... M	11.75	.50	4.4	11.88	11.25	11.75	7.25	550	1.21	2.42	- 50.0	18.7	.16	1.4	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab ..... M	2.25	.25	12.5	2.25	2.00	6.13	1.38	875	.77	1.81	- 57.5	NE	.00	.0	.....	9 mos.	05-84	2.6	550.0	(.5)	NC	(.04)	NC	3.7	208.3	(.6)	NC	(.05)	NC
Carrols Cp ..... N	10.63	- .13	- 1.2	11.00	10.50	11.50	7.13	343	.44	1.03	- 57.3	15.2	.07	.7	.....	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's ..... M	12.63	.38	3.1	12.63	12.13	19.50	10.00	5,816	2.16	4.47	- 51.7	18.8	.00	.0	.....	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chili's inc ..... M	24.38	- .75	- 3.0	24.75	23.75	25.63	12.75	380	.85	2.67	- 68.2	35.8	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch ..... N	33.88	.50	1.5	34.00	31.75	34.63	21.25	3,266	1.74	2.01	- 13.4	17.6	.80	2.4	.....	9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 1.8	355.5	17.4	28.1	19.6	1.49	21.1
Collins Foods ..... N	20.63	.50	2.5	20.75	19.63	20.75	9.91	2,131	2.44	1.85	31.9	16.1	.16	.8	.....	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev ..... O	9.25	- .38	- 3.9	9.50	9.25	17.69	5.75	452	.87	2.16	- 59.7	17.8	.00a	.0	.....	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts ..... M	5.38	.25	4.9	5.38	5.13	8.63	4.75	111	.31	.41	- 24.4	15.4	.00	.0	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant ..... M	6.25	.00	.0	6.50	6.00	13.88	4.50	829	1.84	2.70	- 31.9	NM	.00	.0	.....	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel ..... M	14.75	- .75	- 4.8	15.00	14.75	23.50	11.75	204	.57	.84	- 32.1	15.7	.14	9	.....	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc ..... O	5.00	.25	5.3	5.25	4.75	5.00	2.75	103	.92	.91	1.1	26.3	.00	.0	.....	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Diversifoods ..... M	9.75	.25	2.6	9.75	9.38	16.75	8.00	9,701	2.89	7.13	- 59.5	16.5	.34	3.5	.....	9 mos.	09-84	148.8	16.0	7.0	- 17.6	.21	- 16.0	420.7	17.1	22.2	- 3.5	.66	- 2.9
DLites Of Amer ..... M	11.25	- .13	- 1.1	11.38	10.88	15.50	11.13	3,075	6.09	3.32	83.4	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts ..... M	27.25	- .75	- 2.7	28.00	27.00	28.00	18.13	433	.91	1.66	- 45.2	14.6	.32	1.2	.....	fiscal	10-84	23.9	18.3	2.1	10.5	.43	16.2	90.3	16.5	9.1	15.2	1.87	15.4
El Chico ..... M	9.00	.00	.0	9.13	8.88	11.00	7.25	769	1.65	1.02	61.8	11.4	.00	.0	.....	6 mos.	11-84	20.1	4.7	.9	- 50.0	.19	- 52.5	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest ..... N	14.50	- .13	- .9	14.75	14.38	14.88	9.00	621	.56	.75	- 25.3	14.9	.00	.0	.....	fiscal	12-84	61.1	13.6	2.1	16.7	.19	35.7	250.1	18.7	11.1	29.1	.97	42.6
Fast Food Oper ..... O	.88	- .06	- 6.7	0.94	0.88	1.88	.69	69	.12	.92	- 87.0	14.6	.00	.0	.....	fiscal	12-83	1.6	33.3	.1	.0	.04	100.0	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes ..... M	7.88	.88	12.5	7.88	6.88	9.13	5.13	1,528	2.19	2.04	7.4	NE	.00	.0	.....	9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker ..... O	3.25	- .50	- 13.3	3.63	3.25	6.75	3.25	64	.38	.36	5.6	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's ..... A	20.38	- .25	- 1.2	20.88	20.00	20.88	12.00	87	.20	.21	- 4.8	17.6	.22	1.1	.....	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc ..... M	10.63	- .88	- 7.6	11.38	10.50	16.25	8.50	1,201	1.85	3.13	- 40.9	NM	.00	.0	.....	9 mos.	09-84	7.2	188.0	.6	500.0	.09	350.0	16.9	125.3	.0	- 100.0	.00	- 100.0
Garcias Scot ..... M	2.44	- .50	- 17.0	2.69	2.31	6.50	1.63	1,275	2.13	3.11	- 31.5	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ..... M	.38	.00	.0	0.44	0.38	5.25	.25	326	1.10	2.82	- 61.0	NE	.00	.0	.....	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NC	.8	166.7	(.6)	NE	(.24)	NC
Hambrg Hamlet ..... O	13.25	- 1.25	- 8.6	14.00	13.25	14.50	9.75	54	.75	.18	316.7	11.4	.00	.0	.....	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger ..... M	4.50	- .38	- 7.7	5.00	4.50	7.50	3.63	457	1.59	1.63	- 2.5	23.7	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen ..... O	50.50	.00	0	51.50	50.50	50.50	33.00	118	.59	.23	156.5	14.1	.00	.0	.....	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab ..... M	19.50	.25	1.3	19.50	19.00	20.25	11.59	159	.56	2.61	- 78.5	11.9	.00a	.0	.....	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	NC	19.2	6.7	1.1	37.5	.36	NC
JB's Rest ..... M	19.13	.63	3.4	19.50	18.50	19.50	10.38	1,792	7.71	2.72	183.5	15.4	.20	1.0	.....	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc ..... M	18.88	.25	1.3	19.00	18.50	19.00	11.88	1,581	1.00	3.24	- 69.1	13.7	.12	.6	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp ..... A	2.38	.00	.0	2.38	2.13	4.75	1.13	95	.42	1.36	- 69.1	NE	.00	.0	.....	fiscal	09-83	3.1	72.2	(4.6)	NE	(.33)	NC	12.3	7.9	(2.7)	NE	(1.29)	NC
Karcher Carl ..... M	18.25	- .38	- 2.0	18.50	18.00	29.63	13.50	767	1.09	2.95	- 63.1	10.9	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston ..... M	1.13	- .06	- 5.3	1.19	1.06	8.75	.75	1,625	1.91	6.43	- 70.3	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ..... N	29.88	- .13	- .4	30.00	29.63	32.00	23.63	628	.52	.60	- 13.3	20.9	.54	1.8	.....	fiscal	08-84	48.7	23.6	5.0	28.2	.41	173.3	174.9	21.4	17.4	25.2	1.43	24.3
Marcus Corp ..... M	15.75	- .13	- .8	15.88	15.63	16.13	11.38	60	.12	.29	- 58.6	10.7	.28	1.8	.....	6 mos.	11-84	30.2	4.5	2.0	.0	.39	5.4	63.7	3.6	4.8	2.1	.94	3.3
Marriott Corp ..... N	85.13	.38	.4	85.13	82.25	85.13	58.50	1,289	.50	.69	- 27.5	18.3	.54	.6	.....	9 mos.	09-84	834.2	11.7	38.3	4.6	1.43	8.3	2402.7	15.1	96.0	14.0	3.54	16.4
Maverick Rest ..... O	2.75	.00	.0	2.88	2.75	6.25	2.25	97	.20	.68	- 70.6	16.2	.00	.0	.....	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's ..... O	3.38	.50	17.4	3.75	3.00	6.88	2.50	361	2.11	1.00	111.0	NE	.00	.0	.....	fiscal	10-83	NC	NC	NC	NC	NC	NC	15.9	28.2	(.3)	- 100.0	(.26)	- 100.0
McDonald's Cp ..... N	60.88	- .13	- .2	61.50	59.63	61.50	40.84	7,372	.85	1.10	- 22.7	14.2	.82	1.3	.....	9 mos.	09-84	784.8	- 4.1	114.3	13.6	1.30	16.1	2395.1	7.6	297.9	13.4	3.37	15.4
Morrison Inc ..... M	18.88	- .13	- .7	19.00	18.63	19.00	13.13	1,355	.99	1.32	- 25.0	12.6	.48	2.5	.....	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak ..... O	2.63	- .13	- 4.5	2.88	2.63	3.25	1.13	489	1.01	1.11	- 9.0	NE	.00	.0	.....	fiscal	09-84	16.6	5.1	(1.4)	NE	(.30)	NE	66.4	5.1	(1.9)	NE	(.41)	NE
Nankin Express ..... O	1.50	- .25	- 14.3	1.88	1.50	2.75	1.00	94	.42	1.16	- 63.8	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans ..... O	3.38	- .13	- 3.6	3.50	3.38	4.50	1.78	136	.61	1.79	- 65.9	6.1	.00a	.0	.....	6 mos.	09-84	6.1	1.7	.4	.0	.18	NC	12.2	7.0	.8	33.3	.36	NC
Natl Pizza ..... O	9.50	.00	.0	10.25	9.50	9.75	7.50	33	.06	.21	- 71.4	12.5	.00	.0	.....	6 mos.	09-84	10.4	8.3	.9	- 59.1	.19	- 56.8	20.5	10.8	2.0	- 9.1	.41	- 6.8
Naugles Inc ..... M	5.88	- .50	- 7.8	6.25	5.75	14.75	4.88	771	1.66	4.32	- 61.6	NE	.00	.0	.....	3 mos.	09-84	38.3	11.0	.4	- 66.7	.10	- 60.0	38.3	11.0	.4	- 66.7	.10	- 60.0

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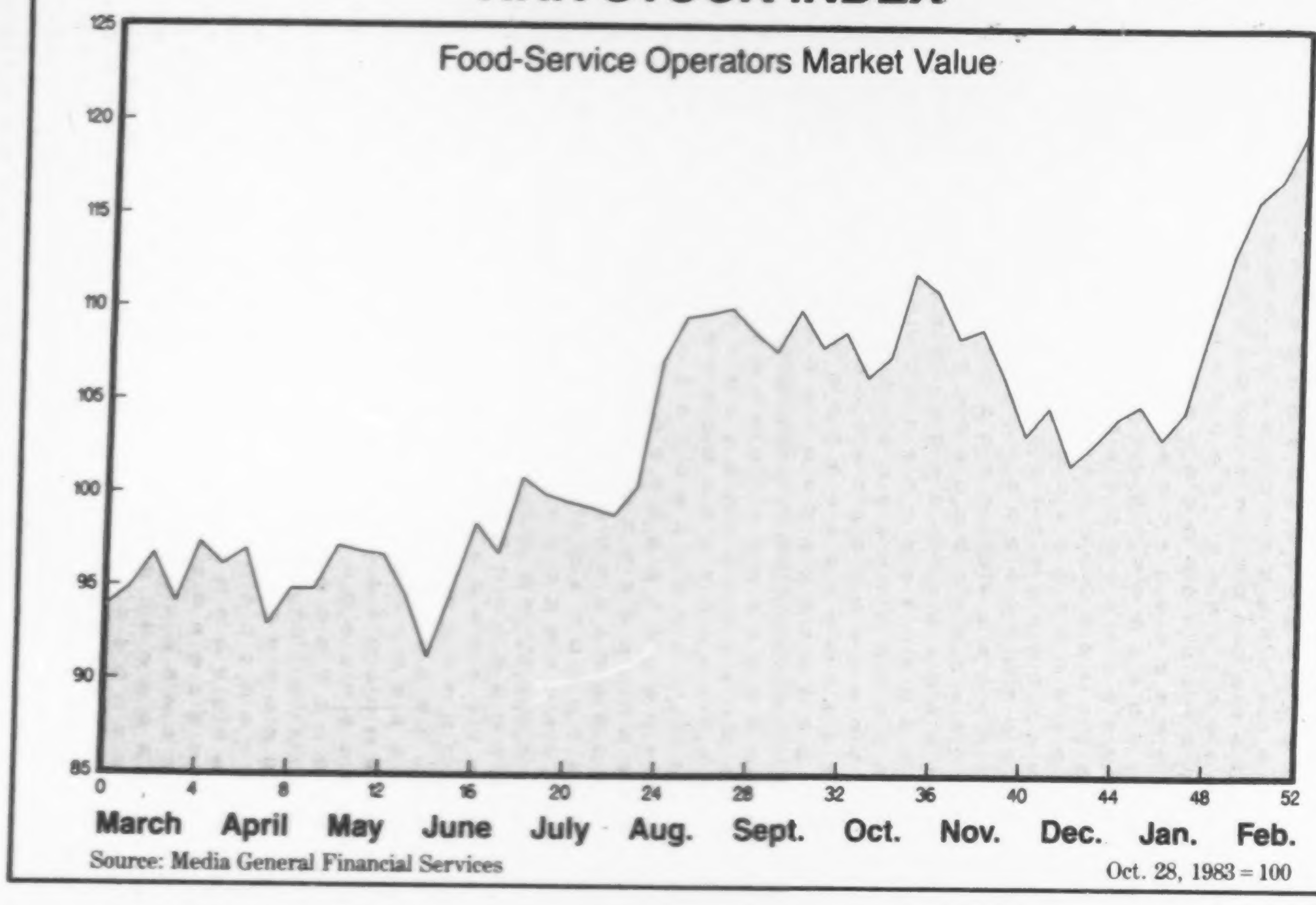
Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

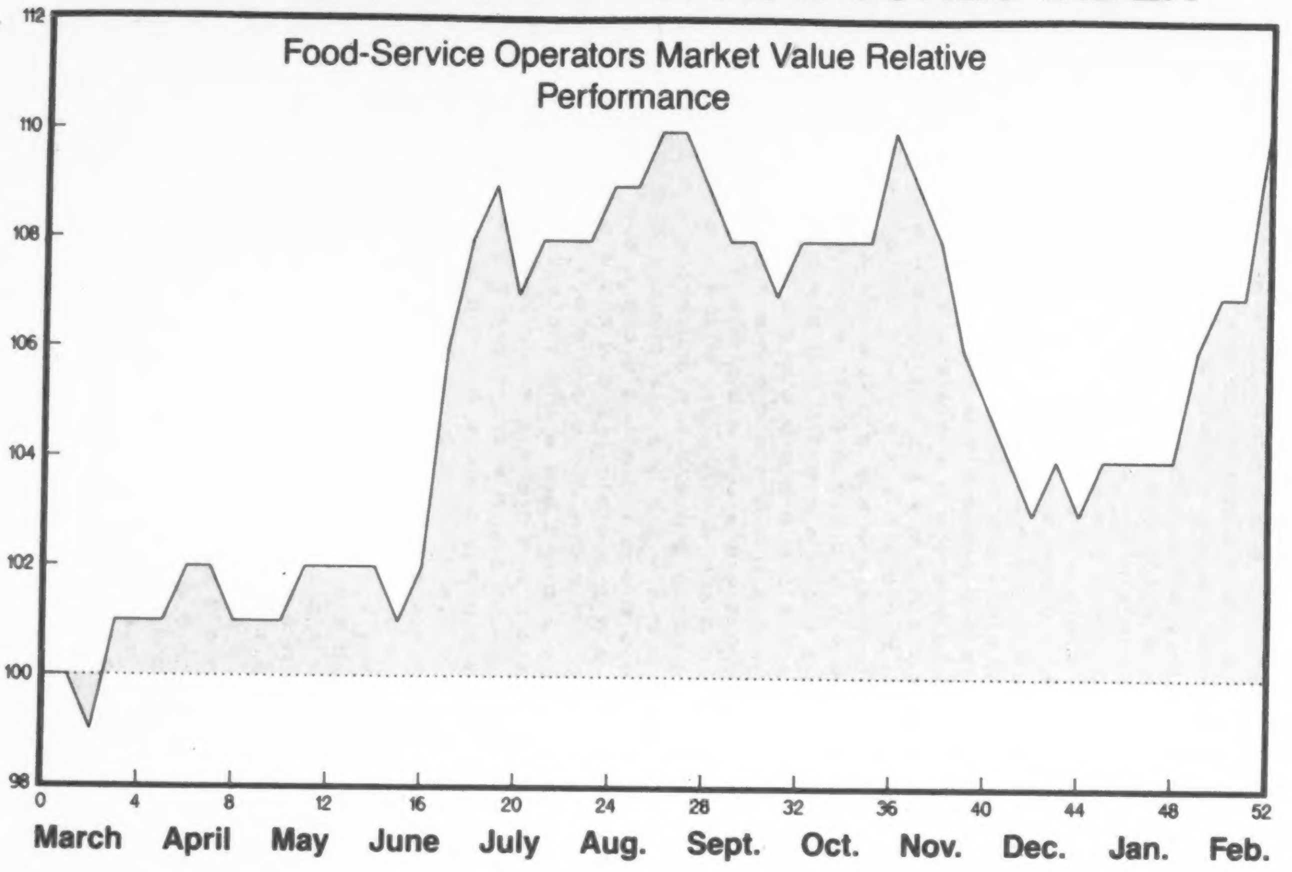
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	2-13-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
1 Potato 2 ..... O	2.63	- .25	- 8.7	2.88	2.50	12.25	1.88	151	.69	1.84	- 62.5	52.5	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC
Old Fashion Fd ..... O	5.00	.00	.0	5.50	5.00	6.25	4.00	4	.03	.44	- 93.2	9.8	.00	.0	.....	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet ..... M	6.75	- .38	- 5.3	7.00	6.63	8.25	5.88	202	.74	1.09	- 32.1	12.1	.13	1.9		3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest ..... M	.44	- .13	- 22.2	0.63	0.38	5.00	.25	5,876	6.84	6.71	1.9	NE	.00	.0	.....	fiscal	06-84	NC	NC	(21.8)	- 100.0	(2.61)	- 100.0	30.6	12.1	(23.8)	- 100.0	(2.85)	- 100.0
Piccadilly Caf ..... M	22.50	- .25	- 1.1	22.75	22.50	24.25	15.00	657	1.09	1.27	- 14.2	13.0	.60	2.7	.....	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn ..... A	10.25	1.00	10.8	10.25	9.38	12.75	6.88	657	2.16	1.24	74.2	9.9	.08	.8	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks ..... M	11.13	- .50	- 4.3	11.38	11.13	16.63	8.75	242	.55	.88	- 37.5	14.8	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	- 23.1	.23	- 37.8	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys ..... N	13.75	- .25	- 1.8	14.13	13.63	22.88	11.50	1,443	1.50	3.35	- 55.2	8.0	.40	2.9	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc ..... O	3.63	.13	3.6	4.00	3.63	6.25	2.38	330	.98	1.43	- 31.5	NE	.00	.0	.....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants ..... M	9.75	.00	.0	10.25	9.50	16.75	8.00	368	.58	1.61	- 64.0	14.3	.00	.0	.....	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc ..... A	7.25	.00	.0	7.25	6.88	8.88	5.38	110	.39	1.55	- 74.8	9.9	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys ..... M	15.00	.50	3.4	15.25	14.25	15.00	9.00	343	1.48	.79	87.3	10.7	.00	.0	.....	9 mos.	09-84	8.6	17.8	.6	50.0	.25	NC	27.9	26.2	1.6	60.0	.68	NC
Ritzys G D ..... M	3.25	- .38	- 10.3	3.50	3.25	9.00	1.75	189	.36	1.53	- 76.5	NE	.00	.0	.....	9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican ..... M	14.50	- .38	- 2.5	14.75	14.50	18.25	11.00	444	1.57	2.63	- 40.3	19.3	.00	.0		6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak ..... M	25.75	.25	1.0	25.75	25.25	25.88	15.50	364	.84	2.48	- 66.1	33.4	.00	.0	.....	fiscal	12-84	9.3	66.1	1.0	42.9	.24	50.0	32.0	66.7	3.3	57.1	.77	48.1
Saga Corp ..... N	30.00	.38	1.3	30.13	29.13	35.50	25.00	2,667	2.04	1.78	14.6	11.8	.52	1.7	.....	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef ..... M	8.75	.25	2.9	8.75	8.50	11.75	6.75	315	2.52	.92	173.9	14.3	.00	.0	.....	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley ..... M	7.25	- .13	- 1.7	7.38	7.13	11.00	6.50	1,279	3.25	3.44	- 5.5	NE	.00	.0	.....	9 mos.	09-84	15.7	- 14.2	3.0	NE	.76	- 69.0	48.3	- 11.9	5.3	NE	1.35	- 16.1
Shoney's Inc ..... M	27.25	.63	2.3	27.25	26.38	27.88	15.28	6,687	2.37	1.07	121.5	18.8	.15	.6		fiscal	10-84	117.0	18.5	8.3	31.7	.65	170.8	477.0	21.4	30.2	29.1	1.45	64.8
Shoney's South ..... M	15.63	- .25	- 1.6	15.88	15.63	16.59	11.00	265	.47	.87	- 46.0	13.2	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	23.1	127.3	17.2	5.8	48.7	1.00	19.0
SIS Cp ..... M	5.00	.00	.0	5.50	5.00	8.50	3.25	87	.56	1.05	- 46.7	NE	.00	.0		9 mos.	09-84	2.1	61.5	(.1)	- 100.0	(.02)	- 100.0	5.6	86.7	(.1)	- 100.0	(.05)	- 100.0
Sizzler Rest Intl ..... M	19.50	.50	2.6	19.75	19.13	19.50	8.75	645	.95	.71	33.8	15.6	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers ..... M	11.75	.00	.0	12.00	11.75	12.13	8.00	366	1.34	1.47	- 8.8	12.6	.06	.5		fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality ..... M	5.75	.13	2.2	5.75	5.50	5.75	3.75	2,984	6.23	3.40	83.2	16.4	.00	.0	.....	6 mos.	11-84	10.3	18.4	.4	33.3	.08	14.3	21.0	25.7	.8	33.3	.16	14.3
Taco Viva ..... M	10.50	.50	5.0	10.75	9.75	10.50	7.00	240	1.05	.92	14.1	19.8	.00	.0	.....	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's ..... N	11.75	- .25	- 2.1	12.13	11.50	13.13	7.88	805	.70	1.23	- 43.1	18.1	.00	.0		fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas ..... O	2.38	.13	5.6	2.75	2.25	4.50	2.25	30	.20	.27	- 25.9	NE	.00	.0	.....	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld ..... N	36.50	.50	1.4	36.50	35.50	36.50	23.63	5,219	1.60	2.31	- 30.7	11.6	.40	1.1	.....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes ..... M	4.00	.00	.0	4.25	4.00	4.75	2.75	1,307	2.56	.77	232.5	NA	.00	.0	.....		00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants ..... M	21.25	- .75	- 3.4	21.63	21.13	22.00	13.25	1,941	2.92	2.82	3.5	16.1	.12	.6	.....	fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations ..... M	4.00	- .25	- 5.9	4.13	3.88	8.00	2.13	655	1.85	4.96	- 62.7	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl ..... N	19.75	.50	2.6	19.88	19.00	20.50	13.13	9,361	1.72	1.81	- 5.0	16.5	.28	1.4	.....	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	25.7
Wstn Steer ..... O	10.00	.00	.0	11.00	10.00	12.00	9.00	7	.06	.40	- 85.0	17.5	.20	2.0	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp ..... N	7.63	1.00	15.1	7.63	6.75	13.38	5.13	569	1.30	1.30	.0	15.6	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 34.8
Hotels, Motels, and Casinos																													
Brock Hotel Cp ..... N	3.75	- .13	- 3.2	4.00	3.75	6.63	2.63	595	.45	1.27	- 64.6	NE	.10	2.7	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(26.3)	NE	(1.77)	NE
Hilton Hotels ..... N	59.88	.50	.8	59.88	58.25	60.13	45.50	784	.32	1.00	- 68.0	13.8	1.80	3.0		fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns ..... N	52.25	1.25	2.5	52.50	50.25	52.50	35.25	3,218	.90	4.20	- 78.6	15.3	.90	1.7	.....	9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	4.9
Prime Mtr Inn ..... N	30.88	- .38	- 1.2	31.25	30.50	32.00	16.00	774	.53	1.16	- 54.3	24.1	.12	.4	.....	3 mos.	09-84	47.9	192.1	5.8	26.1	.40	25.0	47.9	192.1	5.8	26.1	.40	25.0
Ramada Inns ..... N	7.63	.00	.0	7.63	7.38	8.75	5.13	4,426	1.19	2.39	- 50.2	25.4	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc ..... M	18.50	- .25	- 1.3	19.50	18.50	22.28	12.28	61	.18	.65	- 72.3	6.4	.00a	.0	.....	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	NC	139.1	24.8	6.2	138.5	1.80	NC
Sonesta Intl ..... O	21.00	.00	.0	23.00	21.00	23.00	17.50	0	.00	.06	-100.0	NE	.40	1.9	.....	9 mos.	09-84	22.6	17.1	(.6)	- 100.0	(.38)	- 100.0	62.1	11.9	(.6)	- 100.0	(.41)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev ..... M	22.13	- .13	- .6	22.63	22.00	22.63	13.50	1,074	1.79	2.10	- 14.8	14.2	.40	1.8	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.39	- 11.4	486.1	23.2	7.0	- 13.6	1.12	- 13.8
Ch Full O Nut ..... N	8.75	.13	1.4	8.88	8.63	14.56	7.63	171	.37	.82	- 54.9	NM	.48	5.5	.....	3 mos.	10-84	26.5	- 10.2	.1	- 83.3	.03	- 75.0	26.5	- 10.2	.1	- 83.3	.03	- 75.0
Disney, Walt ..... N	76.63	.75	1.0	77.13	74.88	77.13	45.25	3,765	1.12	2.55	- 56.1	62.8	1.20	1.6	.....	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods ..... O	2.00	.25	14.3	2.25	1.88	3.50	1.13	79	.34	.94	- 63.8	22.2	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills ..... N	58.63	2.50	4.5	58.75	56.00	60.00	44.75	6,058	1.34	1.84	- 27.2	14.0	2.24	3.8	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R ..... N	41.00	- .63	- 1.5	41.25	40.00	44.50	36.50	5,286	1.09	.91	19.8	10.2	2.80	6.8	.....	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart ..... A	10.63	- .13	- 1.2	10.88	10.38	21.19	8.63	988	.80	1.80	- 55.6	13.0	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 35.5
Ogden Corp ..... N	30.75	.63	2.1	30.75	29.38	31.75	24.13	1,400	.74	.83	- 10.8	15.0	1.80	5.9		fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc ..... N	47.88	.88	1.9	48.63	46.00	48.63	35.00	13,582	1.45	1.49	- 2.7	14.1	1.68	3.5	.....	9 mos.	09-84	1934.3	8.0	118.3	24.4	1.24	24.0	5425.9	13.3	243.9	17.9	2.57	17.4
Pillsbury Co ..... N	45.50	1.00	2.2	45.63	43.75	45.75	33.00	4,212	.97	1.16	- 16.4	11.3	1.56	3.4	.....	3 mos.	08-84	1023.5	10.1	38.9	11.8	.90	12.5	1023.5	10.1	38.9	11.8	.90	12.5
Vie de France ..... O	12.75	.00	.0	13.00	12.75	15.25	10.50	13	.01	.73	- 98.6	20.9	.23	1.8	.....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

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SPOTLIGHT ON FINANCE

Reagan challenges Congress on SBA: Fix it or kill it

By Rick Telberg
Financial Editor

In 1980, Chili's founder Larry Lavine had seven restaurants and plans bigger than Chili's bank account, so he went out to raise money from venture capital pools.

Meanwhile, in the barrio of San Antonio, the Mexican American Unity Council, a local social services agency which runs child-care centers and half-way houses, was groping for a way to fill its budget shortfall with profit-making investments to fund its nonprofit activities.

The San Antonio agency created a Small Business Investment Company under the rules of the U.S. Small Business Administration and invested $100,000 in Chili's venture capital fund.

Chili's got a leg up into becoming one of the phenomenal success stories of the restaurant industry. And the Mexican American Unity Council got a 1,000% return on its investment.

But now the Reagan Administration has sent a budget proposal to Congress that would totally eliminate the Small Business Administration, saving $1.6 billion by closing the 4,000-employee agency and selling its loan portfolio.

The SBA has few full-throated supporters. Last year the agency made about 1,700 direct loans, worth about $120 million, and co-signed another $3 billion in loan guarantees. But maybe 10% of the borrowers will default, a loss ratio four times as high as a very poorly run bank.

"As it is, I wouldn't miss the S B A ," said Hugh Gedrich, a Detroit restaurant operations troubleshooter. "I'm not convinced that the money went to the people with the smartest business plans."

But others disagree.

Paul deRuyter, a loan officer at the Cape Cod Bank & Trust in Hyannis, Mass., said a whole generation of restaurateurs may not have gotten started in the business without the S B A 's loan guarantees.

"I just did a $250,000 loan that would not have been done otherwise," deRuyter said. "You go the S B A route when you have insufficient capital, unproven management or a new operation. And isn't that always the case in the restaurant business? Someone has to make loans to this industry."

John Stefanelli, a professor at the University of Nevada's hotel school at Las Vegas, sees dire consequences if the S B A were to be eliminated.

The soundings, however, that *Nation's Restaurant News* political correspondent Ken Rankin has taken, indicate the S B A probably will not be killed outright.

Nevertheless, if the S B A does survive, it could be in changed form.

The National Federation of Independent Business has offered a counter proposal that would drastically restructure the agency which has floated $33 billion in its 31-year life.

The N.F.I.B. would eliminate the direct-loan program, where, Congress estimates, about a quarter of the borrowers default. The guaranteed-loan program would be revamped so that the initial fee, now about 1% of the loan, would be raised to 3% to 5%.

The N.F.I.B. plan would also expand the participation of private industry by reducing the guarantee from 90% of the loan to 70%, on the theory that banks and Small Business Investment Companies would monitor portfolio performance more closely.

In addition, the N.F.I.B. would save the much-praised advocacy office, which is a watchdog for small business, and would retain the procurement office, which opens Government bidding to smaller enterprises.

The Reagan Administration has thrown down the gauntlet on the S B A , challenging Congress to fix it or kill it.

The restaurant industry, as largely an industry of small enterprise, has a crucial stake in the outcome of the debate.

T.G.I. Friday's net profit up 14%

DALLAS — T.G.I. Friday's finished its 1984 fiscal year on Jan. 2 with a 14% gain in net profit to $11.9 million but flat earnings per share of 65¢. The year's revenue rose 24% to $285 million.

In the fourth quarter T.G.I. Friday's posted a 94% net profit gain to $3.2 million on a 38% revenue advance to $75.7 million.

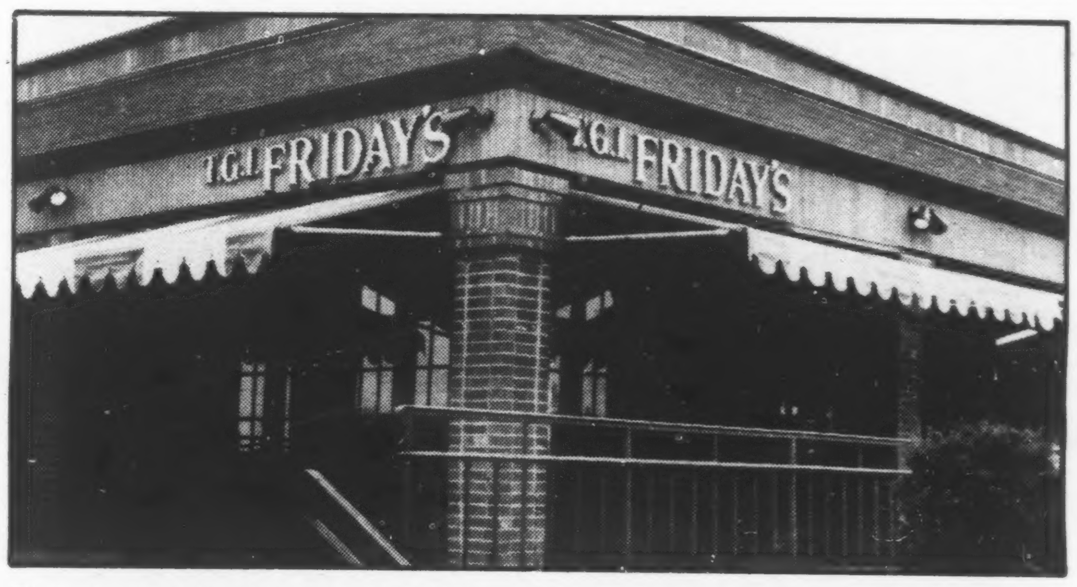
Last-quarter per share earnings grew to 17¢ from 11¢, as the number of shares outstanding rose 14% to 18.2 million for the quarter and the year.

Daniel R. Scoggin, president and chief executive, said management was pleased by the year's results, "despite falling short of our long-term goal of growing net income at 20% to 30% per year."

Earnings suffered at T.G.I. Friday's after the company added 24 new restaurants during the year bringing its total to more than 100, the company indicated.

"We are scaling back new restaurant openings in the first half of the [1985] year," Scoggin said.

Twelve to 14 new T.G.I. Friday's and three to five new Dalt's are planned this year, the company said.



T.G.I. Friday's finished fiscal '84 with a 14% net profit.

Marriott boosts net 21% for year-end

WASHINGTON — Marriott Corp. fattened its net profit 21% to $139.8 million on a 19% sales gain to $3.5 billion for the year ended Dec. 28.

Fourth quarter net rose 35% to $41.8 million on a 19% sales rise to $941.8 million, the company said.

A strong economy, increased travel, continued physical expansion and reduced interest expense aided all three of Marriott's major business lines—lodging, contract food service and restaurants—said president J. W. Marriott Jr.

Lodging operations boosted pretax profit 19% on a 24% sales gain for the year, the company said, as 13 new hotels and 6,000 rooms were added to the system raising the room total to 61,000.

Contract food service notched a 23% pretax advance on a 17% sales gain as airport operations showed a sharp expansion.

Pepsico chains gain 14%

PURCHASE, N.Y. — PepsiCo. Inc., which owns the Pizza Hut and Taco Bell fast-food chains, said pretax profit in its food-service operations rose 14% to $175.2 million on a 20% sales gain to $1.8 billion for the year ended Dec. 29.

The company called Taco Bell's performance "extraordinary," but said Pizza Hut's gains were "modest" compared with 1983 when a lunch program was launched.

WALL STREET UPDATE

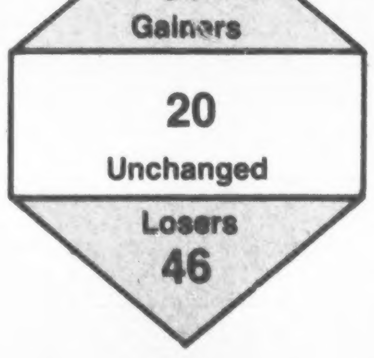
Losers outpace winners; Index continues to climb

NEW YORK — The Nation's Restaurant News Stock Index continued climbing to record highs, closing about 2.5 points higher in the three-day period ended Feb. 13 at about 119.5.

The record close reflected the surge in activity in the stock market as a whole. A stock-buying spree on Feb. 13, inspired by continued confidence in the strength of the economy, pushed the Dow Jones Industrial Average up 7.95 points in the three days to a record 1,297.92 closing.

Despite the gains in the two indexes, food-service issues declining in price outnumbered those advancing in price, 46-to-39, on the broad 105-stock listing that includes lodging and diversified companies.

(*NRN*'s stock charts and index reflect only a three-day trading period due to the publication's holiday production schedule.)



*(See **INDEX**, page 48)*

Beefsteak Charlie's net down $7.95M

NEW YORK — Showing the signs of a second year of restructuring, Beefsteak Charlie's Inc. said it had a net loss of $7.95 million for the year ended Nov. 3, compared to 1983's loss of $6.71 million.

Revenue slipped 6% from 1983 to $92.2 million.

About $4 million of the year's loss stemmed from the company's restructuring expenses, compared with $7.7 million the year before.

The company, which intends to change its name to Lifestyle Restaurants Inc., operates 63 restaurants, many of them called Beefsteak Charlie's. But in the last year it has opened several new concepts, of which there are 11 Tallulah's American Cafe and one each of Daly's Dandelion and Nathan Detroit's.

The company said it expected to reduce its losses.

Naugles franchising venture pulls second qtr. performance down

FULLERTON, Calif. — Still smarting from its ill-starred foray into franchising last year, Naugles Inc. posted a net loss of $230,000 in the second quarter ended Jan. 10, compared with a $748,000 net profit a year ago.

Second-quarter revenue slipped 3% from a year ago to $27.6 million.

Last year the company booked revenue of $1.2 million in the second quarter and $1.9 million for the half-year.

The 200-unit chain now plans to open 20 more outlets through the rest of the fiscal year.

So far this year Naugles has earned $260,000, vs. $1.9 million at last year's six-month mark, on revenue of $65.9 million, a 5% advance.

W. R. Grace buys Carrows

NEW YORK — W. R. Grace & Co. said it completed the purchase of Carrows Restaurants Inc., an 89-unit family restaurant chain based in Santa Barbara, Calif., for 945,000 shares of Grace common. Priced recently at $41.63 per share, the deal was valued at $39.3 million.

C5150-5

Bob Farrell finds new fish to fry
—Focus/F3, 4

Manhattan: Merchant's mecca for food fashion
—Focus/F6

American Marketplace: Atlanta operators hurt
—Pages 3, 12, 13

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Howard Johnson, Jerrico sales near?

Imperial to set future of chain on March 28

By Peter Romeo

LONDON — Imperial Group PLC hopes to disclose the sale of Howard Johnson Co. at its annual meeting here March 28, according to a source.

The list of prospective buyers includes Greyhound Corp., R. J. Reynolds Industries Inc., Marriott Corp., the Pritzker family, Servico Inc. and at least two other U.S. corporations, said Howard Johnson franchisees and executives of competitive lodging chains.

They add that Howard Johnson will be sold in its entirety rather than piece-meal. Prime real estate, rather than the restaurants and hotels, appear to be the main lure.

Imperial Group spokesman Don Hedley refused to confirm or deny any of the reports.

(See HOJO, page 63)

Howard Johnson's suitors

Greyhound Corp.
R. J. Reynolds Industries Inc.
Marriott Corp.
The Pritzker family
Servico Inc.

. . . and what they'd get

600 "Orange roofs" (restaurants and lodges)
225 Ground Rounds
2 Deli/Baker/Ice Cream Maker units
2 Bumbershoots
2 Paddywacks
1 Pickle Lilys
7 Plaza-Hotels

Price barrier critical in any LJS acquisition

By Charles Bernstein

LEXINGTON, Ky. — Long John Silver's (Jerrico) is now a prime acquisition candidate, according to strong industry reports at presstime. But the $64 questions were: Who would be the buyer, and would the minimum price that Jerrico set of $32 per share be met?

Pillsbury, PepsiCo and General Mills all are considered prime possibilities as suitors, and some sources believe that a deal is imminent. But nobody at those companies or at Jerrico would confirm any of the reports.

General Mills restaurant group president Joe Lee said that "maybe Long John's would fit in well some day with our desire for another seafood chain to supplement Red Lobster, but we haven't talked to them yet and we're still formulating strategic plans on whom we might be interested in acquiring."

(See LJS, page 63)

JERRICO AT A GLANCE

Jerrico Inc., Lexington, Ky.
Operates 818 Long John Silver's Seafood Shoppes, franchises another 541 to others.
Latest six-month revenue: $255.3 million, up 6%
Latest six-month earnings: $10.4 million, up 15%
Stock price: $19 (OTC). 52-week range: $19.50-$11.88

King's Table to buy Duff's

By Mark Schoifet

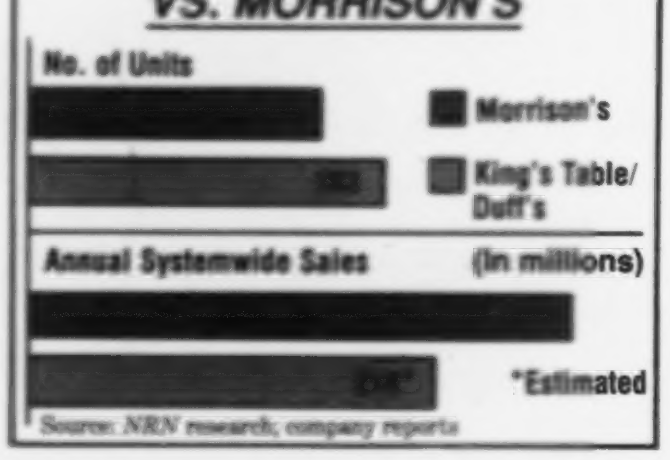
OKLAHOMA CITY — International King's Table's proposed purchase of 102 Duff's smorgasbord restaurants from Kelly-Johnston would catapult the 81-unit chain past Morrison's and into the No. 1 position—in number of units—in the cafeteria segment.

But the proposed $10.3 million sale hinges on an expected court challenge from Sunbelt Paragon of Lebanon, Ohio, a Duff's franchisee originally named by Kelly-Johnston as the Duff's buyer.

On Feb. 19, Kelly-Johnston disclosed it had entered an "understanding" to sell 24 company-owned Duff's and the rights to 78 franchised units to International King's Table based in Eugene, Ore. King's Table agreed to pay $8.1 million in cash and about $2.3 million in common stock.

(See DUFF'S, page 63)

KING'S TABLE/DUFF'S VS. MORRISON'S



Source: NRN research; company reports

Rebound at Red Lobster: Unit-level sales rise 10%

By Rick Telberg

ST. PETERSBURG BEACH, Fla. — Red Lobster, which last year suffered its first financial disappointments, is staging a dramatic rebound earlier and at less cost than originally expected, General Mills restaurant group president Joe Lee said.

New training, menu expansion and advertising programs have been so effective, Lee told Wall Street analysts at a conference here, that a remodeling program has been slowed to about half of its originally planned rate.

Unit-level sales, which a year ago were suffering traffic fallouts, should rise about 10% in the year ending this May to $2.3 million, Lee said.

More than $100 million was committed last year to the remodeling program to add oyster bars and mesquite grills to the restaurants. But Lee said the Orlando, Fla.-based group may have funds left over because of savings discovered in the early stages of a turnaround strategy.

General Mills officials plotted a major overhaul of the 365-unit Red Lobster, the nation's biggest seafood dinnerhouse chain, a year ago as a remedy for declining traffic counts.

(See REBOUND, page 63)

INSIDE NRN

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Two New York businessmen pay a lot for prestige . . F4

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Tap Room offers home brew

N.Y. pub-restaurant targets the serious beer drinker

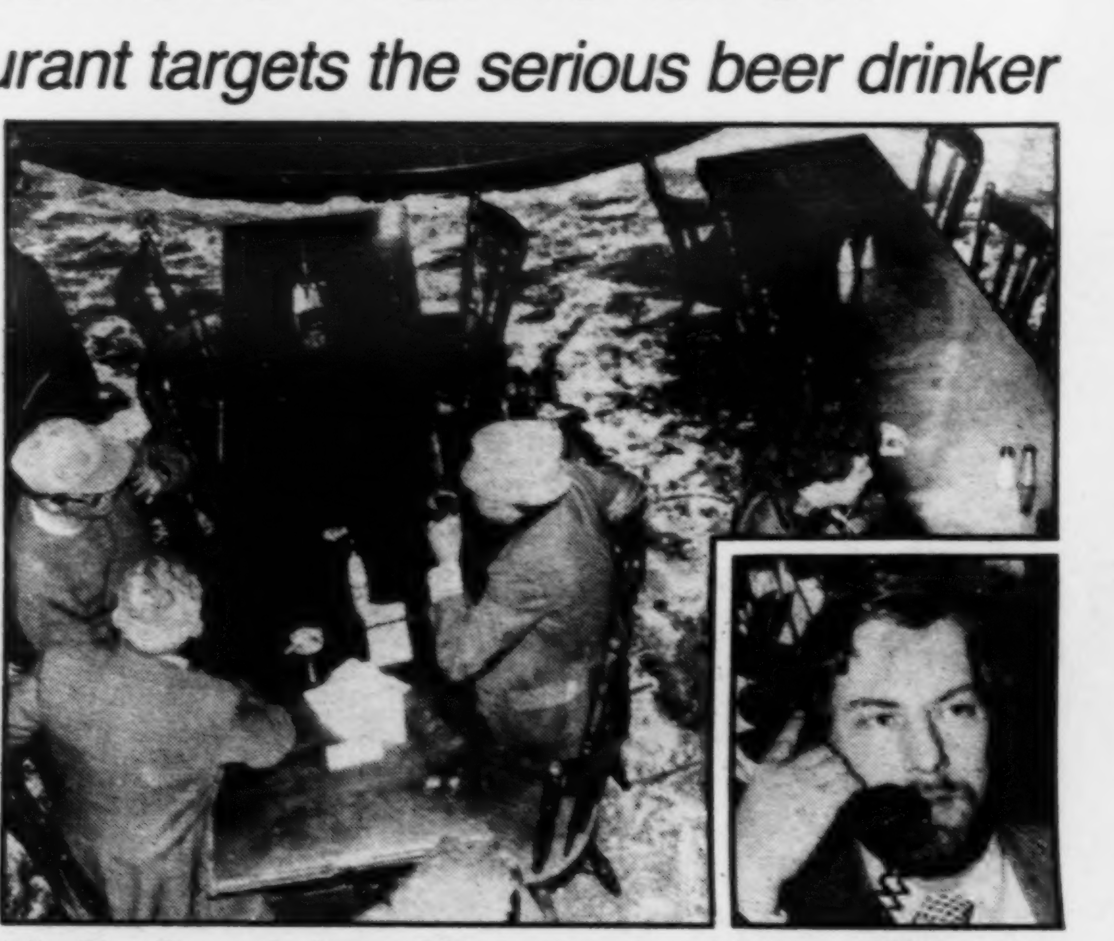
By Ken Frydman

NEW YORK — A new pub-restaurant for serious beer drinkers is expected to gross $2 million this year retailing the eight varieties of ale and lager produced at its on-premise brewery.

The three-tier, 200-seat Tap Room—complete with international beer posters, sheet metal-covered tables, beer vats and kettles, display cases and beer taps galore—is tying in "beer food" like bratwurst and sauerkraut, Irish lamb stew, Shepherd's pie, hearty soups and hot carved sandwiches with lite ales and Royal Amber beers.

From 11:30 a.m. until 1 a.m. Tuesday through Sunday, the 3,000-sq.-ft. Tap Room is

(See TAP ROOM, page 63)



The Tap Room in lower Manhattan does between 300 to 1,000 covers per day. Inset: manager Christopher Van Doren.

More states eye ban, limit on happy hours

New restrictions on liquor promos sought

By Mark Schoifet

The movement to ban or limit happy hours and other alcoholic-drink promotions at restaurants and taverns is gaining momentum as it barrels into state capitals across the nation.

Twenty-three states have either passed or are considering legislation or regulations restricting beer and liquor promotions, according to an informal study by the Distilled Liquor Council, a national trade group.

Among the scores of recently introduced bills is a proposal by a Rhode Island state senator that would give restaurants and taverns the right to collect driver's licenses and car keys from patrons entering such an establishment. A customer would then have to pass a sobriety test in order to get the keys and license back.

"It's very much into the dangerous category now," said Trish Butler, associate director of the Florida Restaurant Association.

Spearheaded by Mothers Against Drunk Driving (MADD) and other groups, the anti-happy-hour movement picked up steam last fall when Massachusetts passed the most comprehensive bar restrictions in the country. The Bay State law prohibits happy hours, free drinks, jumbo drinks, 2-for-1 specials, reduced drink prices, offering free drinks as prizes, holding drinking contests, and selling pitchers of beer to one person.

The drive to limit happy hours comes at a time when many states are also considering bills to raise the drinking age and to hold third parties liable in lawsuits stemming from drunk-driving accidents.

"Happy hours promote the social acceptability of drinking and driving," MADD founder Candy Lightner said in a recent editorial. "That is the attitude we have to change if we are going to change the carnage."

Many members of the foodservice industry, however, believe voluntary programs—including the substitution of snack food for drinks in pro-

*(See **BAN**, page 11)*

Elias Bros. to widen its Big Boy holdings

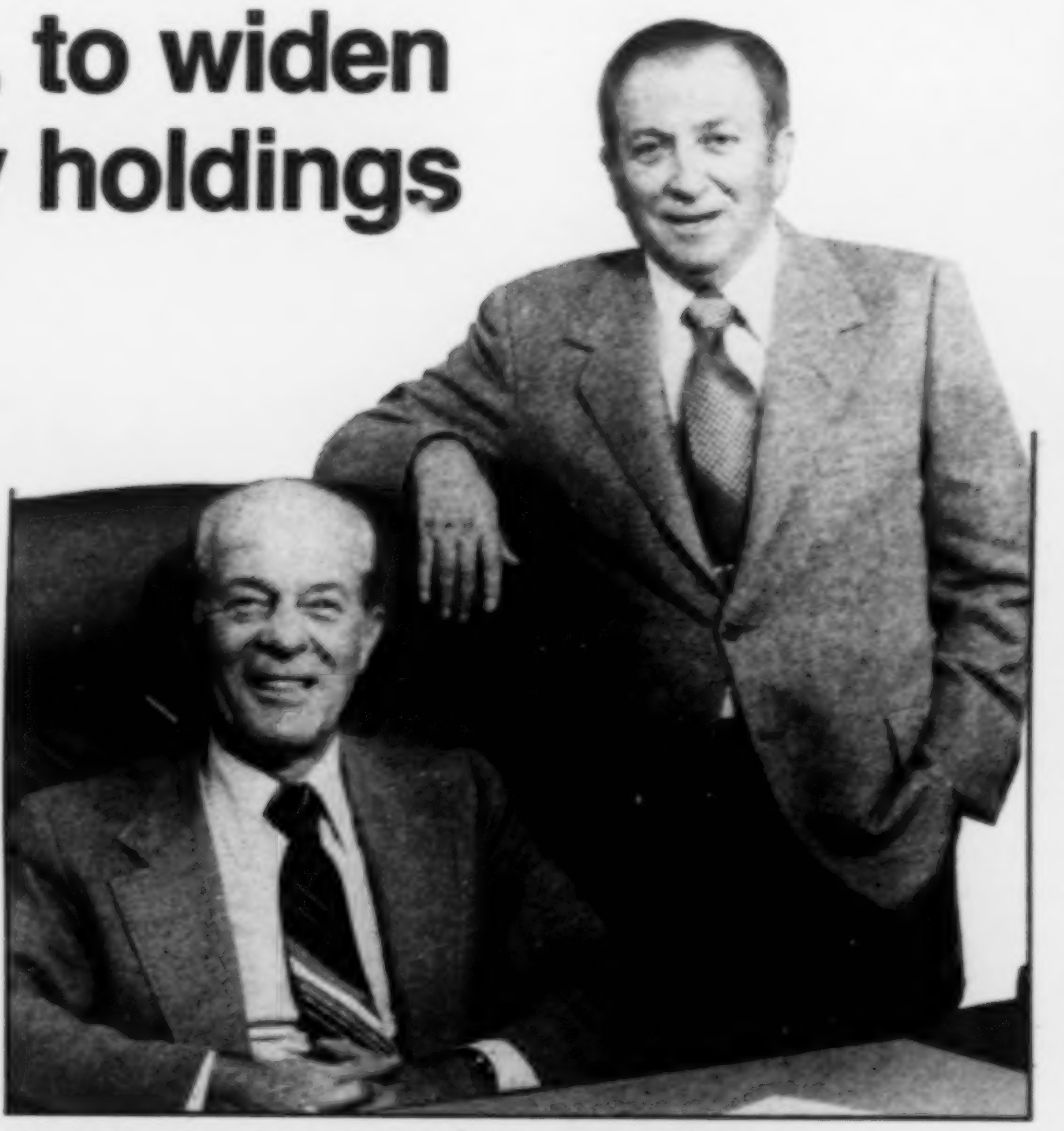
By David Zuckerman

WASHINGTON — Marriott Corp., stepping up the unification of its 860-unit Big Boy coffee shop network, has hammered out a new agreement that will extend the territorial domain of Warren, Mich.-based Elias Bros. to include the company-dominated Cleveland market.

Just last week, Marriott settled a three-month court battle with Salt Lake City-based J.B.'s, by granting the 106-unit Big Boy franchisee an additional five states in which to expand.

Elias, with some 216 Big Boy stores in Michigan and Ontario, Canada, became the largest franchisee in the Big Boy system when Nashville-based Shoney's severed ties with parent Marriott last year.

Under terms of the new pact, which has not been finalized, Elias has agreed to develop 22 additional Big Boy restaurants in the Cleveland and northern Ohio vicinity during the next 10 years. In addition, Elias will acquire 26 Cleveland-area Bob's Big Boy units from Marriott, to be operated under a separate licensing agreement.



The Elias brothers: Fred (left) and Louis.

(Marriott cut a similar deal with J.B.'s by including 29 company-operated Bob's Big Boys in the northern California market as part of that settlement.)

"The Cleveland region is only 250 miles from our home base in Warren which makes the area ideal for development by our company," said Elias Bros. vice president and general counsel Rick Hamlyn. "While we've agreed to develop 22 additional Big Boy units over a 10-year period, our demographic studies show that we can probably build 35-40 new stores in the Cleveland region by 1995."

As for the 26 Bob's Big Boys acquired from Marriott, Elias plans to take possession by late March or early April.

Nutrition trend tops agenda at COEX '85

By Charles Bernstein

MIAMI BEACH — A strong nutritional and lower-calorie emphasis are here to stay, research presented at IFMA's annual Chain Operators Exchange (COEX) conference indicated. But chain sources themselves weren't so sure that customers really care about nutrition as much as they say in surveys, or that "healthy food" chains necessarily are guaranteed successes.

Presenting the results of his national consumer survey at the conference, National Eating Trends vice president Harry Balzer said 71% of the respondents said (with regard to fast-food places) that they were interested in fresh food, 67% in nutritious food and 58% in "healthy items."

"Seven or eight of 10 consumers feel fresh ingredients are crucial," said Balzer, "more so for upscale restaurants. When customers are asked to rate the most important single element on the nutritional list, one-third say 'low calorie' items, one-third 'items made from scratch.'"

"How you interpret these surveys depends a lot on the way a question is asked," he said. "On balance, it would seem there is great potential for such 'healthy food' chains as D'Lites."

William Welter, Wendy's executive vice president of marketing, stressed the importance of Wendy's "garden" salad bar, chicken filet, baked potatoes and new multigrain bun as "lighter alternatives that are greatly boosting our volume."

In a session on "Turning Data into Decisions," moderator Brian Harron of Harron Enterprises, Scottsdale, Ariz., said that "due to computers, never before has so much information been available for strategic planning, but never before has so much analysis been needed."

Ernest Renaud, corporate development senior vice president of Investors Management Corp., Raleigh, N.C., and former president-ceo of Jerrico, compared 400-unit IMC (which operates Golden Corral and other chains) to Long John Silver's 12 years ago, when it had 400 units. Strategic planning "can't be a structured once-a-year thing," he said, "and must relate to the external environment."

COMMODITIES

Predicting yields gets tougher as uncertainty grows

By Gary S. Friedman
Commodities Analyst

Uncertainty about the present and future solvency of rural agricultural banks and their ability to continue to provide credit to producers, as well as the debate over the proposed Farm Bill, will make forecasting accurate planted acreage intentions and yields more difficult this year.

Official Government reports indicate a preliminary 82 million acres of corn to be planted, an increase of 2% over the year before. Soybean acreage is projected to fall 5%, to 64.4 million acres. Rice acreage is down 12%. Spring wheat planting intentions shows an increase in 8% acreage and winter wheat is down 9% from a year earlier.

While projecting acreage and yields has always been more an art than a science, this year the art is more difficult to master.

Planting intentions have always began with the primary source, the producer. Traditionally the farmer has been a taciturn sort of guy. He gives away information as easily as a corporation would show its competitor its five year strategic plan. Part of the cost of entry into the Government price-support programs for the producer is that very information. Compliance, once in the programs, is subject to spot checking for verification. Many are the times when accurate market information could not be projected, because the producer almost always waits until the deadline to decide to enter or not to enter the programs.

The financial network of lending institutions in the farm belt are in many areas in as bad shape as the farmers they lend. The only difference is that Hollywood has chosen not to make films about their plight this year. The banks may actively encourage Government program compliance to establish that one guaranteed source of income.

If Government program compliance seems in the best interests of many of the participants, why will this year's statistics be more difficult to forecast?

Some banks are going to be forced to cut back on their lending this year, which will mean less money for producers to buy seed, fertilizer or fuel. Although it is estimated that less than 1% of corn acreage, for example, will not be planted due to lack of bank financing, the affect will be felt in other ways. Modern farm production has been heavily dependent on fertilizer to reach the spectacular yields that have become commonplace. Fertilizer spread more thinly and other resource allocation choices will become prevalent this year. Producers will have to worry more about costs vs. returns than ever before.

Not to be underestimated either is the growing producer dissatisfaction and distrust of what they see as the Government programs that got themselves in their current mess. Some analysts have gone on record as saying that angry producers are deliberately understating planting intentions in order to encourage a bull market or to voice resentment at the Boards of Trade and Exchanges that producers view as less than benign manipulators of the farmers' fate.

What is the likely affect this will have on prices? It depends on which side of the table you sit.

PRICE MOVEMENT AT A GLANCE

	2/20/85	Year Ago
Corn, No. 2 yel, Cent-Ill. bu.	2.65	3.10
Broilers, dressed "A," NY lb.	0.5781	0.6524
Eggs, lrg white, Chgo dz.	0.52-0.55	0.97
Hams, 17-20 lb., mid-US lb., fob	0.77	0.65½
Soybeans, No. 1 yel, Cent-Ill. bu.	5.75½	7.15½
Sugar, cane, raw, world, lb. fob.	0.0368	0.0640
Wheat, No. 2 HRW, KC bu.	3.71½	3.68½

Source: NRN research

NRN Index slips to 119.4 in holiday-shortened week

(Continued from page 66)

trials from a year ago, the *NRN* Index has outperformed the leading market gauge by about 12%. A year ago the Dow stood at 1,165.10, and the *NRN* Index at 95.

Two food-service issues hit 52-week lows and nine hit 52-week highs. Fresher Cooker found a new bottom at $3, down 25¢ on the week, off from a yearlong high of $6.75.

Rax Restaurants bottomed at $8, down $2 in the week, the biggest percentage loss of the crop. Rax had traded as high as $16.75 in the last 12 months.

Rax posted a deficit in the second quarter ended Jan. 28 of $537,000 vs. net profit of $655,000 a year before. The company said it expects to reduce its loss in the third quarter and return to profitability in the fourth, giving it a profitable year.

Cracker Barrel, another major loser, posted second quarter losses of $156,334, compared with net of $103,132 a year before. The stock dropped $1.75, to $12.75.

USA Cafes led the volume surgers list with trading 473% heavier than its 12-week trailing average. The stock inched up 13¢, to $5.38.

Wendy's, on strong earnings news that apparently came as no surprise to followers, was unchanged at $21, just 63¢ shy of its yearlong high.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
USACafes .... M	473.3	Pancho Mex Buffet M	127.8
Shoney's South ...... M	268.1	Vie de France .... M	108.4
Naugles Inc .... M	225.8	Restaurant Sys .... M	101.0
JB's Rest .... M	160.8	Intl King Tab .... M	96.7
Wstn Steer .... M	130.4	Consol Prdts .... M	91.7

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kapok Cp .... A	26.3	Vicorp Restaurants .. M	12.9
Peoples Rest .... M	25.0	Rest Assoc .... A	12.1
DLites Of Amer ...... M	14.4	Intl King Tab .... M	11.5
Good Taco .... M	14.3	Calibre Cp .... M	9.1
Hungry Tiger .... M	13.5	Pancho Mex Buffet . M	7.3

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Rax Restaurants ..... M	- 20.0	Allegheny Bev .... M	- 10.9
Ritzys G D .... M	- 14.3	Naugles Inc .... M	- 10.6
Fast Food Oper ...... O	- 14.3	1 Potato 2 .... O	- 10.5
Esteban Foods .... O	- 12.5	Mr Steak .... O	- 9.5
Cracker Barrel .... M	- 12.1	Concept Dev .... O	- 8.3

Company and Market	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	2-22-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs .... M	5.63	.38	7.1	5.75	5.25	7.50	3.50	241	.68	.82	- 17.1	16.1	.00	.0	.....	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rests .... O	4.25	- .25	- 5.6	4.63	4.25	5.00	3.50	135	.54	.75	- 28.0	17.0	.00	.0		fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest .... O	4.25	.00	.0	4.38	4.25	6.00	2.38	127	.56	1.10	- 49.1	22.4	.00	.0	.....	9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts .... M	12.13	.13	1.0	12.38	11.75	17.13	10.50	550	1.24	2.78	- 55.4	14.6	.12	1.0	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char .... A	2.00	- .13	- 5.9	2.13	2.00	4.63	1.75	178	.31	.89	- 65.2	NE	.00	.0	.....	fiscal	10-84	23.5	7.8	(6.3)	NE	(1.13)	- 100.0	92.2	- 3.2	(8.0)	NE	(1.43)	- 100.0
Benihana Natl .... M	18.75	.38	2.0	18.88	17.50	18.75	4.50	814	2.80	3.68	- 23.9	24.7	.00	.0		9 mos.	12-84	15.4	208.0	.7	75.0	.23	64.3	39.7	166.4	1.8	63.6	.62	47.6
Bob Evans Farms .... M	18.25	- .88	- 4.6	19.00	18.25	20.25	14.75	672	.41	.76	- 46.1	17.7	.30	1.6	.....	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp .... M	1.50	.13	9.1	1.50	1.25	9.00	1.00	94	.31	.54	- 42.6	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food .... M	12.00	.13	1.1	12.25	12.00	12.25	7.25	749	1.65	2.72	- 39.3	19.0	.16	1.3	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab .... M	2.38	.13	5.6	2.50	2.13	6.13	1.38	2,023	1.32	1.39	- 5.0	NE	.00	.0		fiscal	08-84	1.7	466.7	(.4)	NC	(.03)	NE	5.4	260.0	(1.0)	NC	(.08)	NE
Carrols Cp .... N	11.13	.38	3.5	11.13	10.63	11.50	7.13	669	.86	1.05	- 18.1	15.9	.07	.6	.....	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's .... M	11.63	- .25	- 2.1	11.63	10.88	19.50	10.00	5,755	2.14	4.55	- 53.0	17.4	.00	.0	.....	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chili's inc .... M	23.38	- .25	- 1.1	23.88	23.38	25.63	12.75	465	1.03	2.57	- 59.9	34.4	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch .... N	34.88	.13	.4	35.50	34.13	35.50	21.38	3,918	2.08	2.27	- 8.4	19.3	.80	2.3		9 mos.	09-84	124.8	13.0	10.4	- 2.8	.55	- 17.9	355.5	17.4	28.1	19.6	1.49	11.2
Collins Foods .... N	20.13	- 1.38	- 6.4	21.63	19.75	22.13	9.91	1,318	1.51	2.03	- 25.6	15.7	.16	.8	.....	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev .... O	8.25	- .75	- 8.3	9.00	8.25	17.69	5.75	90	.17	2.11	- 91.9	15.9	.00a	.0	.....	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts .... M	5.00	- .13	- 2.4	5.13	4.75	8.63	4.75	327	.92	.48	91.7	14.3	.00	.0	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant .... M	5.38	- .38	- 6.5	5.88	5.13	13.88	4.50	790	1.75	2.68	- 34.7	89.6	.00	.0	.....	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel .... M	12.75	- 1.75	- 12.1	14.25	12.25	23.50	11.75	624	1.75	.95	84.2	13.6	.14	1.1	.....	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc .... O	5.25	.25	5.0	5.75	5.00	5.25	2.75	60	.53	1.05	- 49.5	27.6	.00	.0	.....	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10	NC
Diversifoods .... M	9.75	- .13	- 1.3	9.88	9.63	16.75	8.00	15,890	4.71	7.36	- 36.0	18.1	.34	3.5	NEW	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer .... M	12.88	1.63	14.4	13.00	11.13	15.50	10.88	2,170	4.30	3.79	13.5	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts .... M	27.75	.63	2.3	27.75	27.00	28.00	18.38	1,120	2.36	1.75	34.9	14.8	.32	1.2	.....	fiscal	10-84	22.8	12.9	2.1	10.5	.43	16.2	85.5	10.3	9.1	15.2	1.87	15.4
El Chico .... M	9.50	.50	5.6	9.75	8.88	10.25	7.25	793	1.71	1.07	59.8	12.0	.00	.0	.....	6 mos.	11-84	20.1	4.7	.9	- 50.0	.19	- 52.5	41.2	7.3	1.8	.0	.39	- 2.5
El Torito Rest .... N	14.75	.50	3.5	14.75	14.00	14.88	9.13	931	.89	.80	11.3	15.2	.00	.0	.....	fiscal	12-84	61.1	13.6	2.1	16.7	.19	35.7	250.1	18.7	11.1	29.1	.37	42.6
Fast Food Oper .... O	.75	- .13	- 14.3	0.88	0.69	1.88	.69	762	1.29	.98	31.6	12.5	.00	.0	.....	fiscal	12-83	1.6	33.3	.1	.0	.04	100.0	6.1	32.6	.3	.0	.06	20.0
Flakey Jakes .... M	7.75	- .25	- 3.1	7.88	7.50	9.13	5.13	1,214	1.74	2.22	- 21.6	NE	.00	.0	.....	9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker .... O	3.00	- .25	- 7.7	3.38	3.00	6.75	3.00	63	.37	.42	- 11.9	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's .... A	20.00	- .38	- 1.8	20.50	19.75	20.88	12.00	48	.11	.22	- 50.0	17.2	.22	1.1	.....	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc .... M	10.75	- .50	- 4.4	10.88	10.13	16.25	8.50	1,321	2.03	3.30	- 38.5	NM	.00	.0	.....	9 mos.	09-84	7.2	188.0	.6	500.0	.09	350.0	16.9	125.3	.0	- 100.0	.00	- 100.0
Garcias Scot .... M	2.38	.06	2.7	2.38	2.25	6.50	1.63	308	.51	2.92	- 82.5	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco .... M	.50	.06	14.3	0.50	0.38	4.88	.25	556	1.87	2.89	- 35.3	NE	.00	.0		6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet .... O	13.50	.25	1.9	14.25	13.25	14.50	9.75	0	.00	.17	-100.0	11.6	.00	.0	.....	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger .... M	5.25	.63	13.5	5.25	4.75	7.50	3.63	555	1.93	1.65	17.0	27.6	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen .... O	50.50	.00	.0	51.50	50.50	50.50	33.00	8	.04	.24	- 83.3	14.1	.00	.0		fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab .... M	21.75	2.25	11.5	22.00	19.75	21.75	11.59	1,694	5.94	3.02	96.7	16.4	.00a	.0		3 mos.	09-84	19.2	6.7	1.1	37.5	.36	20.0	19.2	6.7	1.1	37.5	.36	20.0
JB's Rest .... M	20.00	.88	4.6	20.00	18.88	20.00	10.38	2,192	9.44	3.62	160.8	16.1	.20	1.0	.....	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc .... M	18.75	- .25	- 1.3	19.13	18.75	19.25	11.88	2,351	1.49	3.35	- 55.5	13.6	.12	.6	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp .... A	3.00	.63	26.3	3.00	2.25	4.63	1.13	160	.71	1.10	- 35.5	NE	.00	.0		fiscal	09-83	3.1	72.2	(4.0)	NE	(.33)	NE	12.3	7.9	(2.1)	NE	(1.29)	NE
Karcher Carl .... M	18.25	.13	.7	18.50	16.38	29.63	13.50	1,814	2.57	3.17	- 18.9	10.9	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston .... M	1.06	.06	6.3	1.19	0.81	8.75	.75	4,861	5.70	6.39	- 10.8	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe .... N	30.00	.00	.0	30.00	29.38	32.00	23.63	112	.09	.58	- 84.5	21.0	.54	1.8	.....	fiscal	08-84	48.7	23.6	5.0	28.2	.41	173.3	174.9	21.4	17.4	25.2	1.43	24.3
Marcus Corp .... M	15.88	.13	.8	16.00	15.75	16.13	11.75	74	.15	.28	- 46.4	10.8	.28	1.8	.....	6 mos.	11-84	30.2	4.5	2.0	.0	.39	5.4	63.7	3.6	4.8	2.1	.94	3.3
Marriott Corp .... N	83.50	- 1.50	- 1.8	86.38	83.50	86.38	58.50	975	.38	.73	- 47.9	16.7	.54	.6	.....	fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest .... O	2.75	.00	.0	2.88	2.75	6.25	2.25	59	.12	.67	- 82.1	16.2	.00	.0	.....	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's .... O	3.75	.25	7.1	4.00	3.50	6.88	2.50	62	.35	1.00	- 65.0	NE	.00	.0		3 mos.	01-84	4.4	12.8	(.2)	NC	(.10)	NE	4.4	12.8	(.2)	NC	(.10)	NE
McDonald's Cp .... N	59.50	- .63	- 1.0	60.00	58.75	61.75	40.84	9,657	1.11	1.15	- 3.5	13.9	.82	1.4	.....	9 mos.	09-84	784.8	- 4.1	114.3	13.6	1.30	16.1	2395.1	7.6	297.9	13.4	3.37	15.4
Morrison Inc .... M	18.88	- .13	- .7	19.00	18.88	19.00	13.13	1,389	1.01	1.42	- 28.9	12.6	.48	2.5	.....	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak .... O	2.38	- .25	- 9.5	2.63	2.38	3.25	1.13	663	1.38	1.21	14.0	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express .... O	1.50	.00	.0	1.88	1.50	2.50	1.00	194	.87	1.20	- 27.5	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans .... O	3.25	.00	.0	3.50	3.25	4.50	1.78	30	.13	1.77	- 92.7	13.0	.00a	.0	NEW	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza .... O	9.25	- .25	- 2.6	10.00	9.25	9.75	7.50	220	.40	.23	73.9	10.3	.00	.0	.....	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc .... M	5.25	- .63	- 10.6	5.88	5.00	14.50	4.88	9,168	20.56	6.31	225.8	NE	.00	.0		6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 .... O	2.13	- .25	- 10.5	2.38	2.13	12.25	1.88	117	.53	1.87	- 71.7	42.5	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

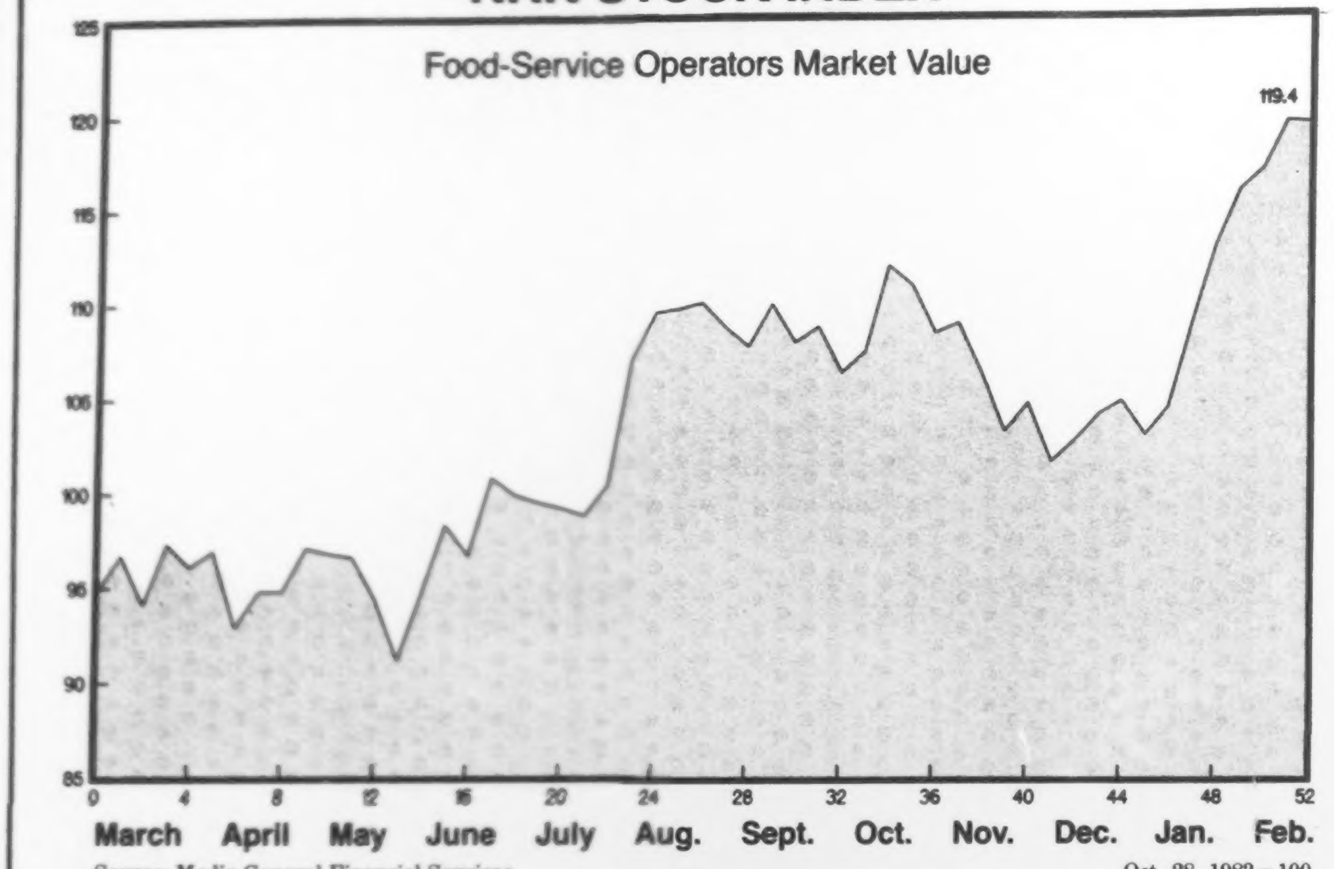
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

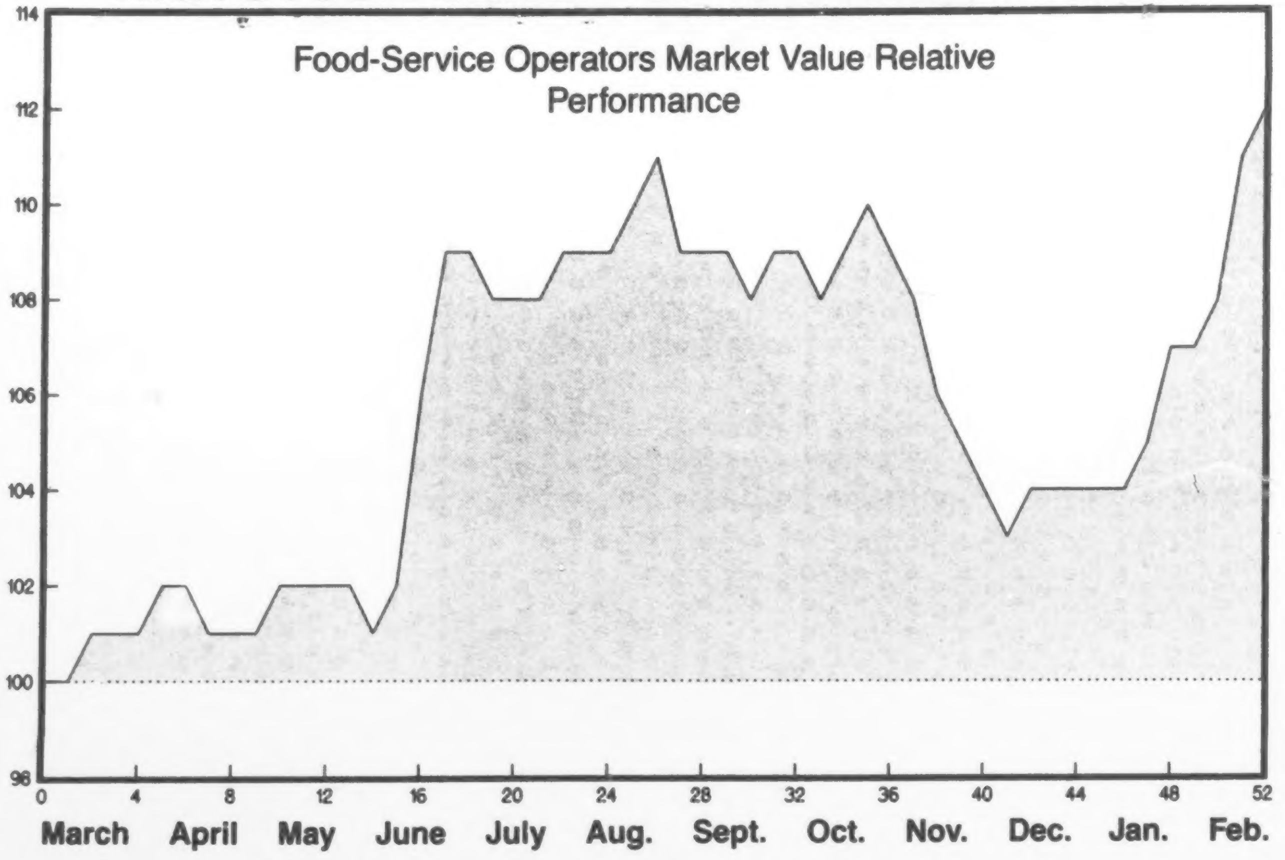
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	2-22-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd ..... O	5.00	.00	.0	5.50	5.00	6.25	4.00	27	.19	.44	- 56.8	9.8	.00	.0	.....	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet ..... M	7.38	.50	7.3	7.63	6.50	8.25	5.88	821	3.03	1.33	127.8	13.2	.13	1.8	.....	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest ..... M	.63	.13	25.0	0.63	0.38	5.00	.25	4,329	5.03	7.31	- 31.2	NE	.00	.0	.....	3 mos.	09-84	8.3	- 30.3	(3.3)	- 100.0	(.39)	- 100.0	8.3	- 30.3	(3.3)	- 100.0	(.39)	- 100.0
Piccadilly Caf ..... M	23.00	.25	1.1	23.25	22.38	24.25	16.00	488	.81	1.37	- 40.9	13.3	.60	2.6	.....	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn ..... A	9.63	- .38	- 3.8	10.00	9.63	12.75	6.88	141	.46	1.21	- 62.0	9.3	.08	.8	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks ..... M	11.25	- .13	- 1.1	11.50	11.13	16.63	8.75	254	.57	1.01	- 43.6	15.0	.00	.0	.....	fiscal	09-84	31.3	46.9	1.0	- 23.1	.23	- 37.8	107.1	53.4	3.3	153.8	.75	102.7
Ponderosa Sys ..... N	13.25	- .13	- .9	13.38	13.00	22.88	11.50	1,406	1.47	3.26	- 54.9	7.7	.40	3.0	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc ..... O	3.50	- .25	- 6.7	3.63	3.50	6.00	2.38	306	.91	1.54	- 40.9	NE	.00	.0	.....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants ..... M	8.00	- 2.00	- 20.0	9.75	8.00	16.75	8.00	911	1.44	1.61	- 10.6	11.8	.00	.0	.....	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc ..... A	8.13	.88	12.1	8.25	7.25	8.88	5.38	253	.91	1.45	- 37.2	11.1	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys ..... M	14.75	- .25	- 1.7	15.25	14.50	15.25	9.00	447	1.93	.96	101.0	16.6	.00	.0	NEW	fiscal	12-84	8.5	13.3	.5	25.0	.21	23.5	36.4	23.0	2.1	50.0	.89	23.6
Ritzys G D ..... M	3.00	- .50	- 14.3	3.50	2.75	9.00	1.75	516	.99	1.56	- 36.5	NE	.00	.0	.....	9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican ..... M	14.25	- .25	- 1.7	14.50	14.25	18.25	11.00	310	1.10	2.58	- 57.4	19.0	.00	.0	.....	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak ..... M	17.25	- .09	- .5	17.75	17.00	17.34	10.69	436	.67	2.45	- 72.7	33.8	.00	.0	.....	fiscal	12-84	9.3	66.1	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp ..... N	30.38	1.13	3.8	30.50	29.50	35.50	25.50	2,272	1.74	1.94	- 10.3	11.9	.52	1.7	.....	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef ..... M	8.75	.25	2.9	8.75	8.50	11.75	6.75	103	.82	.97	- 15.5	14.3	.00	.0	.....	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley ..... M	7.13	- .38	- 5.0	7.50	7.13	11.00	6.50	874	2.22	3.70	- 40.0	NE	.00	.0	.....	9 mos.	09-84	15.7	- 14.2	3.0	NE	.76	- 69.0	48.3	- 11.9	5.3	NE	1.35	- 16.1
Shoney's Inc ..... M	26.63	- .50	- 1.8	27.00	26.50	27.88	16.22	2,462	.87	1.18	- 26.3	18.4	.15	.6		fiscal	10-84	109.8	11.2	8.3	31.7	.65	170.8	469.8	19.6	30.2	29.1	1.45	64.8
Shoney's South ..... M	15.50	- .13	- .8	15.50	15.13	16.59	11.00	2,395	4.27	1.16	268.1	13.1	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	23.1	127.3	17.2	5.8	48.7	1.00	19.0
SIS Cp ..... M	5.25	.25	5.0	5.25	5.00	8.50	3.25	27	.17	1.05	- 83.8	NE	.00	.0	.....	9 mos.	09-84	2.1	61.5	(.1)	- 100.0	(.02)	- 100.0	5.6	86.7	(.1)	- 100.0	(.05)	- 100.0
Sizzler Rest Intl ..... M	18.50	- 1.50	- 7.5	20.00	18.50	20.00	9.25	810	1.19	.92	29.3	14.8	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers ..... M	11.25	- .75	- 6.3	11.63	11.25	12.13	8.00	255	.93	1.51	- 38.4	12.1	.06	.5	.....	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality ..... M	5.50	- .38	- 6.4	5.75	5.50	5.88	3.75	925	1.93	3.67	- 47.4	15.7	.00	.0	.....	6 mos.	11-84	10.3	18.4	.4	33.3	.08	14.3	21.0	25.7	.8	33.3	.16	14.3
Taco Viva ..... M	10.50	- .50	- 4.5	10.75	10.00	11.25	7.00	517	2.26	1.20	88.3	19.8	.00	.0	.....	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's ..... N	11.50	- .25	- 2.1	11.75	11.38	13.13	7.88	332	.29	1.26	- 77.0	17.7	.00	.0	.....	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas ..... O	2.38	.00	.0	2.75	2.38	4.50	2.25	71	.47	.31	51.6	NE	.00	.0	.....	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld ..... N	35.63	- 1.88	- 5.0	37.63	35.25	37.63	24.50	8,086	2.47	2.42	2.1	11.3	.40	1.1	.....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes ..... M	5.38	.13	2.4	5.75	5.00	5.75	2.75	9,188	14.62	2.55	473.3	NA	.14	2.6				NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Vicorp Restaurants ..... M	24.00	2.75	12.9	24.38	21.25	24.00	13.25	4,261	6.42	3.50	83.4	18.2	.12	.5	.....	fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations ..... M	3.88	.00	.0	4.00	3.75	8.00	2.13	508	1.44	5.13	- 71.9	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl ..... N	21.00	.00	.0	21.63	20.75	21.63	13.13	16,083	2.93	2.23	31.4	16.8	.28	1.3	NEW	fiscal	12-84	249.9	27.0	17.6	18.9	.32	18.5	944.8	32.1	68.7	24.5	1.25	23.8
Wstn Steer ..... M	9.50	- .50	- 5.0	10.00	9.50	12.00	9.00	129	1.06	.46	130.4	16.7	.20	2.1	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp ..... N	7.63	- .13	- 1.6	8.13	7.25	13.38	5.13	676	1.55	1.20	29.2	15.6	.00	.0	.....	9 mos.	09-84	27.3	14.2	.2	- 75.0	.05	- 72.2	79.7	26.5	1.3	- 35.0	.30	- 34.8
Hotels, Motels, and Casinos																													
Brock Hotel Cp ..... N	3.63	.13	3.6	3.88	3.50	6.63	2.63	574	.44	1.24	- 64.5	NE	.10	2.8	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(26.3)	NE	(1.77)	NE
Hilton Hotels ..... N	62.75	1.25	2.0	63.25	61.13	63.25	45.50	867	.35	1.01	- 65.3	14.5	1.80	2.9	.....	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns ..... N	52.63	.75	1.4	52.88	51.38	52.88	35.25	5,602	1.60	4.42	- 63.8	14.7	.90	1.7	.....	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn ..... N	29.75	.00	.0	29.75	28.63	32.00	16.00	1,034	.71	1.18	- 39.8	23.2	.12	.4	.....	3 mos.	09-84	47.9	192.1	5.8	26.1	.40	25.0	47.9	192.1	5.8	26.1	.40	25.0
Ramada Inns ..... N	7.13	- .13	- 1.7	7.38	6.88	8.75	5.13	5,434	1.46	2.43	- 39.9	23.8	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc ..... M	19.00	.75	4.1	19.25	18.25	22.28	12.28	95	.27	.68	- 60.3	9.0	.00a	.0		9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl ..... O	21.00	.00	.0	23.00	21.00	23.00	17.50	0	.00	.06	-100.0	NE	.40	1.9	.....	9 mos.	09-84	22.6	17.1	(.6)	- 100.0	(.38)	- 100.0	62.1	11.9	(.6)	- 100.0	(.41)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev ..... M	19.50	- 2.38	- 10.9	20.63	18.63	22.63	13.50	2,021	3.37	2.47	36.4	12.5	.40	2.1	.....	9 mos.	09-84	167.3	27.2	2.4	- 11.1	.39	- 11.4	486.1	23.2	7.0	- 13.6	1.12	- 13.8
Ch Full O Nut ..... N	8.50	- .13	- 1.4	8.75	8.50	14.56	7.63	122	.26	.80	- 67.5	NM	.48	5.6	.....	3 mos.	10-84	26.5	- 10.2	.1	- 83.3	.03	- 75.0	26.5	- 10.2	.1	- 83.3	.03	- 75.0
Disney, Walt ..... N	76.50	- 2.00	- 2.5	78.88	75.88	81.13	45.25	6,253	1.85	2.70	- 31.5	62.7	1.20	1.6	.....	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods ..... O	1.75	- .25	- 12.5	2.00	1.75	3.50	1.13	127	.54	.83	- 34.9	19.4	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills ..... N	55.75	- 2.38	- 4.1	57.88	55.63	60.00	45.50	4,168	.92	1.94	- 52.6	13.3	2.24	4.0	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R ..... N	40.50	- .13	- .3	41.00	40.25	44.50	36.50	2,725	.56	.98	- 42.9	10.1	2.80	6.9	.....	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart ..... A	10.63	- .50	- 4.5	11.25	10.38	21.19	8.63	837	.68	1.67	- 59.3	13.0	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 35.5
Ogden Corp ..... N	30.75	.25	.8	30.88	30.13	31.75	24.13	899	.47	.84	- 44.0	15.0	1.80	5.9	.....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc ..... N	48.00	- .13	- .3	48.50	47.50	48.63	35.63	7,670	.82	1.52	- 46.1	14.2	1.68	3.5	.....	9 mos.	09-84	1934.3	8.0	118.3	24.4	1.24	24.0	5425.9	13.3	243.9	17.9	2.57	17.4
Pillsbury Co ..... N	44.63	- 1.50	- 3.3	46.50	43.38	46.50	33.00	6,659	1.53	1.28	19.5	10.3	1.56	3.5		6 mos.	11-84	1256.5	11.7	66.1	26.9	1.52	26.7	2280.0	11.0	105.0	20.8	2.42	21.0
Vie de France ..... M	12.75	.13	1.0	13.00	12.50	15.25	10.50	1,871	1.73	.83	108.4	20.9	.23	1.8	.....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Some see new round of mergers and acquisitions

By Rick Telberg
Financial Editor

The forces that have spurred food-processing companies such as PepsiCo, General Mills and Pillsbury into the restaurant business can only intensify in coming months, according to some executives and analysts.

"The returns in the restaurant business are greater than those in the food business," said Larry Jones, an analyst at New York-based Equitable Investment Co., stating the chief lure.

According to estimates from Value Line, the food-processing industry averaged operating margins of 9.5% in 1984 while fast-food operators averaged a stunning 19.5%. Food makers earned 14.5% on their net worth in a good year last year, while food servers earned 16% in an off year.

Joe Lee, president of the General Mills restaurant group, which owns Red Lobster, suggested recently that as the food-service industry's two-year-old shakeout enters the later, bloody stages, it will be big companies that will be positioned to gobble the real estate and concepts of faltering chains.

"We're just going to sit back and watch this shakeout get a little worse," Lee said after a presentation to the Consumer Analysts Group of New York's winter conference in St. Petersburg, Fla., last month.

"When an industry has a shakeout, a period of consolidation follows with a strong period of takeovers," Lee said, giving the textbook case of business cycles. "We're beginning the bloody stages now."

The roster of food processors with restaurant holdings is lengthy. Here's a short list of some of the biggest players and their outlook:

- General Mills, which owns Red Lobster, is developing a sixth chain called Olive Garden and may be scouting acquisitions.
- Pillsbury, with Burger King, Steak & Ale, Bennigan's and J. J. Mugg's, says it wants a pizza chain. Godfather's has been mentioned recently as it appears that its parent, Diversifoods, would be worth more dead than alive.
- PepsiCo owns Taco Bell and Pizza Hut and may be looking for a third fast-food leg. Analysts suggest Long John Silver's at the right price would make a good fit.
- R. J. Reynolds, which owns Kentucky Fried Chicken, is tinkering with tiny chains as a way of developing management for a future acquisition, analysts suggest.
- Ralston Purina, despite the sale of its casual themer Continental Restaurants division, is said to be very pleased with the recent performance of Jack in the Box.
- Hershey Foods said recently Friendly could be a major expansion vehicle.

The upsurge in millers' and packagers' interest in food service comes at a time when they are facing increased competition for supermarket shelf space. Pillsbury's ready-to-bake biscuits, for example, face slowed growth in the South. General Mills' granola bars are confronted by copy-cats left and right.

The interest comes, too, at a time when the errors of overexpansion have caught up with once-hot, small chains, whose only salvation now may be to sell out.

* * *

STOCK-PICKERS' PICKS: McDonald's Corp.'s (recent price: $60) fourth-quarter and year-end results are out, and so Wall Street analysts' verdicts are in: Buy.

Richard Simon at Goldman Sachs, Michael Culp at Prudential-Bache and Michael Esposito at Oppenheimer & Co., all in New York, each projects fiscal 1985 earnings of $5.05 per share, over $4.39 last year.

They generally laud the world's biggest restaurant chain's consistently improving performance.

Says Simon: "McDonald's achieved reasonable real U.S. same-store sales gains in the fourth quarter despite touch comparisons" to last year when Chicken McNuggets rolled nationwide.

Diversifoods '84 net down 11% to 18.28M

ITASCA, Ill. — Diversifoods, the multiconcept restaurant company that recently forced two of its top executives to resign, finished its first full year of existence with net profit down 10.7% to $18.28 million, compared with the previous year.

Revenue for the year ended Dec. 31 rose 14.4% to $554.4 million.

Diversifoods suffered a $3.93 million loss in the fourth quarter, compared with a loss of $2.4 million in 1983. The company said the loss in 1984 was principally due to write-down costs, employee severance payments and expenses associated with a failed leveraged buyout attempt. The aftertax effect of these expenses was about $5.5 million.

Severance payments were made to former president and chief executive Don Smith and Godfather's division chief executive Charles Boppell, who were forced to resign after a special baord meeting in early January.

Smith and other top executives had attempted to take the public company private in a $525 million leveraged buyout attempt last year. They dropped the bid after failing to secure financing.

The main reason for the failed bid was the disappointing performance at Godfather's. A poorly executed pan pizza rollout, declining average store sales and franchisee dissatisfaction fueled the 895-unit pizza chain's woes.

Diversifoods said Godfather's was profitable in 1984 but that "earnings were down markedly" from 1983. It did not disclose operating profits for any of its divisions.

Company revenue in the fourth quarter was up 6.7%.

Diversifoods said its Burger Kings and Chart House divisions reported record sales and profits in 1984.

The company's other two concepts, the Luther's barbecue chain and the new Moxie's full-service burger chain, "combined to produce a net loss for the year."

After Smith and Boppell left, a new executive alignment was made. John Creed, who was chief executive of the Chart House steakhouse division, became president and chief operating officer of Diversifoods. The duties of a chief executive are being shared by three men: Creed, chairman William Trotter and chief financial officer David Hanks.

Shawn Holder, who had been heading the Luther's concept, replaced Creed at Chart House.

'Diversifoods said Godfather's was profitable in '84 but that "earnings were down markedly" from '83.'

KFC year-end profit rises 7% before taxes

WINSTON-SALEM, N.C. — R. J. Reynolds Industries Inc. said pretax profit from its Kentucky Fried Chicken Corp. rose 7% for the year ended Dec. 31. KFC sales grew 19% due to a national rollout of chicken nuggets and the addition of 387 company-owned outlets, the tobacco and consumer foods conglomerate said.

Kelly-Johnston ends 2nd qtr. with $34 M loss

OKLAHOMA CITY — After taking a $30.4 million writedown stemming from the planned sale of its Chi-Chi's Mexican dinnerhouses and Duff's cafeterias, Kelly-Johnston posted a $34.1 million net loss for the third quarter ended Dec. 31.

In last year's third quarter, the company lost $2.1 million.

Third quarter revenue slipped 9% from a year ago to $24 million.

The company said it charged off goodwill and trademark value resulting from its planned sale of Duff's Enterprises Inc. and its 16 franchised Chi-Chi's.

Kelly-Johnston plans to sell the 130-unit Duff's chain to a Duff's franchisee for about $13 million and took a $23.4 million writedown in anticipation of the divestiture.

The writedowns, which have no effect on cash flow, should approximate the company's loss when the sales are completed.

WALL STREET UPDATE

Index slips 0.1 to 119.4; losers top winners 5-4

NEW YORK — If it had to end, it was good it ended gently. The *Nation's Restaurant News* Stock Index, a market-value weighting of 87 food-service issues, broke its six-week string of advances in the week ended Feb. 22, slipping the minimal 0.1 point to close at 119.4.

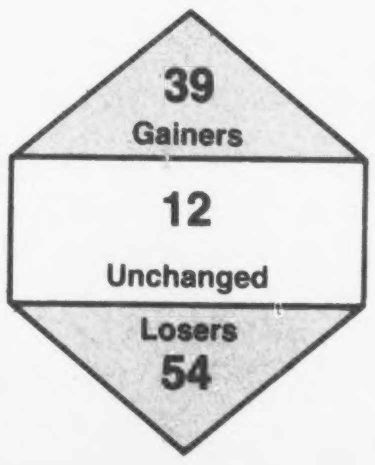
In the same week, shortened to four trading days by the Presidents Day holiday, all major market barometers declined. The Dow Jones Industries Average gave up 6.18 points to 1,275.84.

It appeared the largest companies underpinned the *NRN* Index since, on the broader, 105-issue *NRN* listing, losers beat winners 54 to 39, with 12 unchanged.

Among the 87 food-service issues, 44 declined, 33 gained and the prices of 10 were unchanged.

Charted against the Dow Indus-

*(See **INDEX**, page 64)*



Church's rebounds; new nugget item prompts gain

SAN ANTONIO — The successful introduction of nuggets last fall and a year-long aggressive marketing effort combined to produce significant increases in net profit and revenues for Church's Fried Chicken in the year ended Dec. 30.

Net profit was up about 35% compared with the previous year to $42.6 million. This figure was right on target with analysts' projections for the year. Revenue was up 17.4% to $545.3 million.

In the fourth quarter Church's reported a whopping 138% increase in net profit, to $14.5 million, compared with the same period in 1983. Revenue was up 20%.

"The company turned itself around in '84," said chief financial officer Bucky Kilbourne.

He credited the new management for rolling out nuggets—an item popularized by McDonald's—and taking the new aggressive marketing stance. Church's is led by chairman J. David Bamberger and president Rick Sherman.

Real sales, according to Kilbourne, were up about 3% for the year, although there was an 11% increase in the fourth quarter.

The company began the new year with about 1,500 Church's chicken outlets and hamburger restaurants operating as G. W. Jr.'s and Jeepers. The total number of units was relatively unchanged in the year as expansion was de-emphasized. Church's is converting many of its G. W. Jr.'s units to Jeepers.

C5150-5

Inside second-tier chains: Big waves in small ponds —Focus F3-34

American Marketplace: Houston's long recovery —Pages 3, 10, 11

Chilling January figures cool industry optimism —Page 174

Nation's
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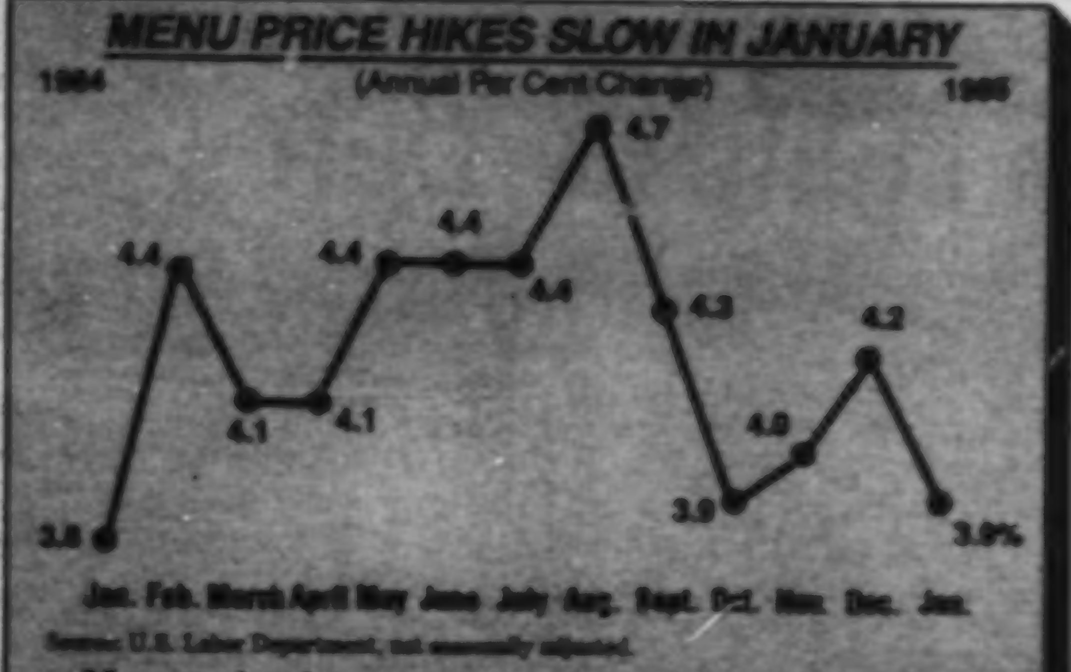


Source: U.S. Labor Department, not seasonally adjusted.

Menu price increases, as tracked by the Consumer Price Index for Food Away from Home, slowed to a 3.9% annual rate in January after averaging 4.2% in 1984, the U.S. Labor Department reported. While the nation's inflation rate remained under control, restaurateurs continued to face resistance to price hikes.

2nd-tier fast feeders outdo dinnerhouses, coffee shops

Post 17.5% sales surge as others suffer setbacks

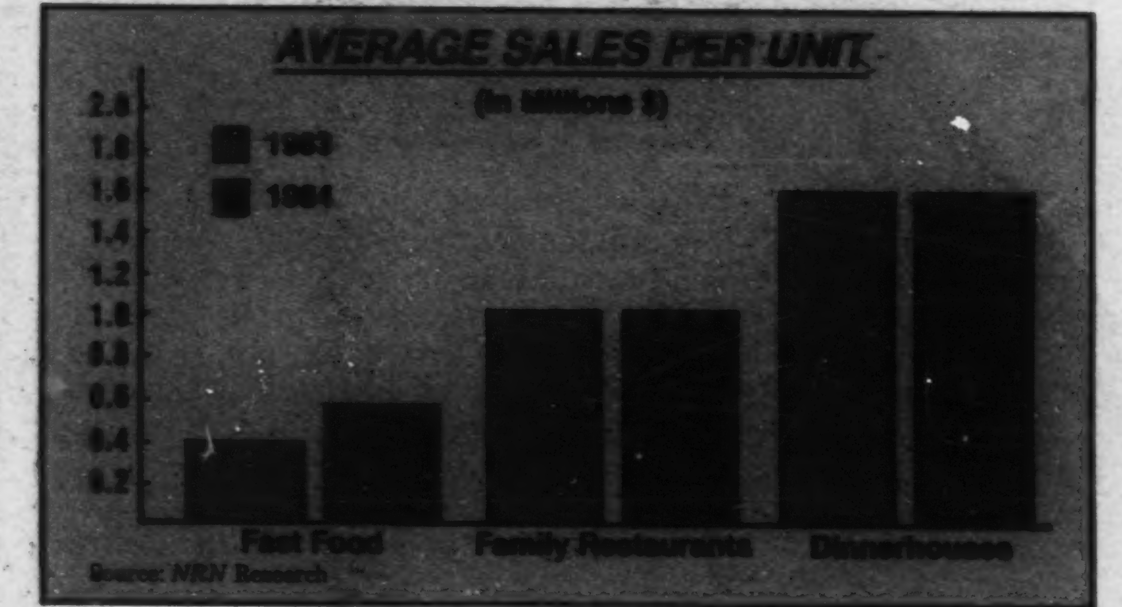
***NRN* Special Report**

Like their counterparts in the Top 100, second-tier fast-food chains outperformed family restaurants and dinnerhouses in 1984, according to an exclusive *Nation's Restaurant News'* survey of second-tier operators.

Second-tier fast feeders reported an average 17.5% jump in average unit sales, to $470,000 last year.

Family restaurants and dinnerhouses, however, suffered

*(See **RESULTS**, page F3)*



Source: *NRN* Research

Peoples to convert failing restaurants

By Howard Riell

RICHARDSON, Tex. — Peoples Restaurants officials have signaled the eventual demise of that concept by signing two preliminary agreements to convert some of their remaining 24 company-owned restaurants to Crab House and Studebaker's units. Peoples will franchise and operate the units as well.

Meanwhile, Max Kendall, a director, has been named president of Peoples, succeeding Thomas Heironimus.

Crippled by recent losses and forced to shutter half of its units in the last three months of 1984, Peoples is now looking for a second chance as a franchisee of the two emerging chains. In fiscal 1984, it lost $23.7 million, compared with a $1.87 million net profit the year before.

Observers pin the huge losses on the family restaurant chain's having "alienated" customers early last year by drastically changing its

*(See **PEOPLE'S**, page 171)*

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BREAKFAST BISCUITS
THAN ANYONE.

A print ad from Hardee's breakfast campaign. Inset: Jack Laughery.

Burger giants mount breakfast ad battle

By David Zuckerman

Fast-food burger giants, led by Hardee's (No. 4), Burger King (No. 2) and Wendy's (No. 3), are back on the warpath. But this time the heavy artillery consists of biscuits, croissants and omelets rather than beef, and the battleground is breakfast.

A major advertising push, already under way at Hardee's and slated for later this year by Burger King and Wendy's, will showcase the variety of breakfast products that have emerged on the fast-food landscape. As usual in this sector of the market, all guns will be trained on No. 1 McDonald's, which has dominated with its Egg McMuffin-biscuit breakfast combination.

While the fast-food segment has vastly increased its share of the breakfast market in recent years—from less than

*(See **BREAKFAST**, page 171)*

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Independents launch cafes

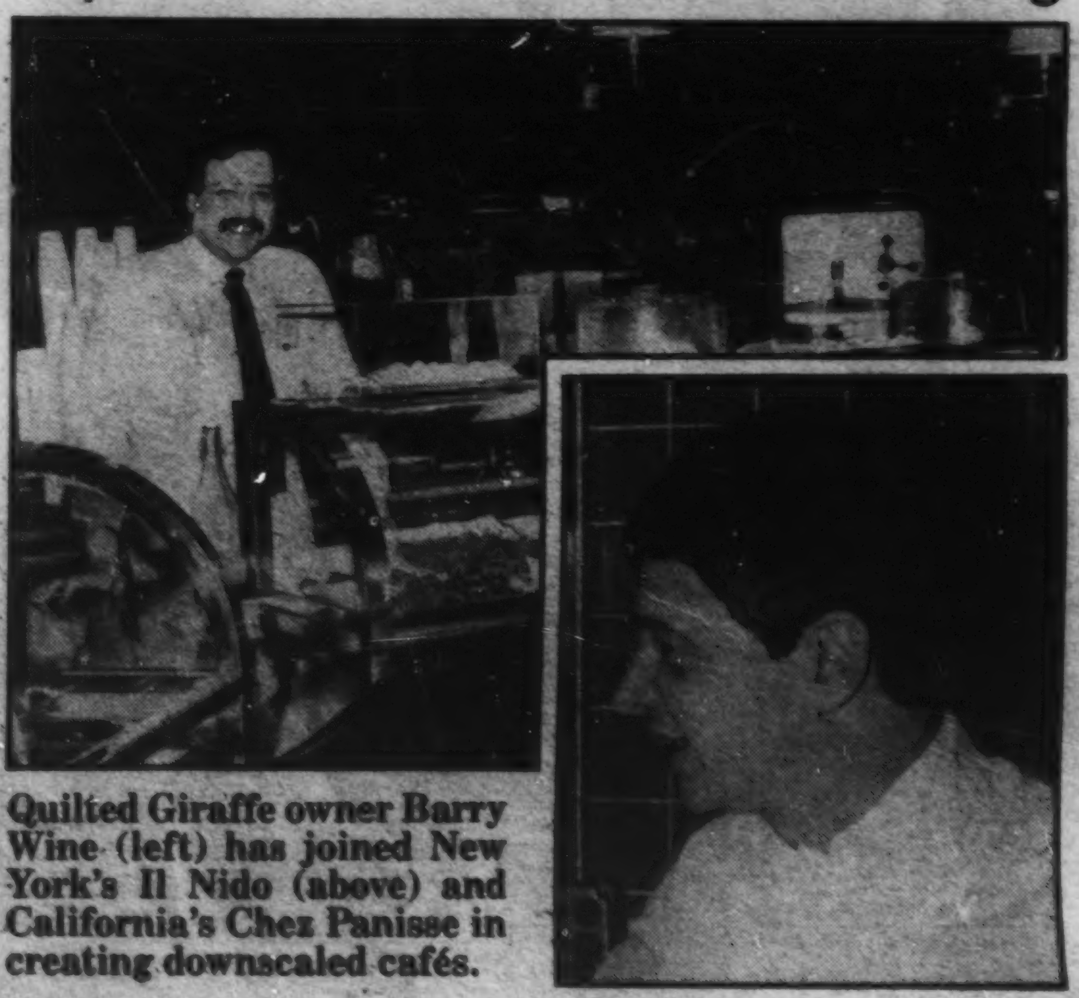
High-ticket operators branch into casual dining

By Paul Frumkin

NEW YORK — With their decision to open a café and takeout operation in the arcade of the new AT&T headquarters here, Quilted Giraffe owners Barry and Susan Wine have joined an exclusive group of upscale independent restaurateurs who have chosen to branch out into a more casual segment.

During the past year both Alice Waters, owner of Chez Panisse in Berkeley, Calif., and Adi Giovannetti, owner of Il Nido and Il Monello in New York, have also launched downscaled operations—Café Fanny and Il Nido Café, respectively—featuring smaller menus, less complicated preparations and lower check averages.

*(See **CAFES**, page 17)*



Quilted Giraffe owner Barry Wine (left) has joined New York's Il Nido (above) and California's Chez Panisse in creating downscaled cafés.

Congress takes new look at meal tax credits

By Ken Rankin

WASHINGTON — Congress is considering a bill offering businesses tax deductions for off-premises meals in restaurants—a change that could boost total food-service industry sales by nearly $1 billion annually.

The measure, a slightly updated version of legislation sponsored by Rep. Guy Vander Jagt (R-Mich.) during each of the past two sessions, would amend the Federal tax code to permit companies without on-site cafeterias to purchase meals for workers in commercial restaurants.

Under the present law employee meals are deductible only if they are provided on premises for the "convenience" of the employer. Vander Jagt's new bill would allow off-premises employee meal deductions only to concerns that do not now provide on-site eating facilities for workers—a concession to contract feeders who opposed earlier versions of the proposal.

In addition, the deductions would be available only to employers who are "unable to justify economically the operation of on-premise eating facilities giving due consideration to capital and operating costs."

Vander Jagt's bill would further limit off-premises employee meal deductions to meals "provided in kind, not in cash" and to food "furnished within a time-frame consistent with the employer's established meal schedule."

When the off-premises meal deduction plan was first advanced in the early 1980's, National Restaurant Association officials released a study indicating such a tax change would generate $750 million in new sales revenue for the food-service industry annually and create as many as 42,000 additional jobs in the nation's restaurants. Despite the NRA's active support, however, the proposal generated stiff opposition from the food-vending industry. Although the House held brief hearings on the measure last year, the bill never came to a vote.

In reintroducing the modified version in this year's Congress, aides to Vander Jagt expressed hope the measure would clear the committee and reach the full House. "We're counting on continued support from the restaurant industry," said a spokesman.

Rep. Guy Vander Jagt
(R-Mich.)

Ramada overhauling restaurants

Designs 11 concepts tailored to markets

PHOENIX — Ramada Inns is developing at least 11 new restaurant concepts as part of a complete overhaul of its company-owned hotel food and beverage outlets, according to food and beverage vice president Bob Lansdell.

The first 11 hotel restaurants to be renovated will each be given a new decor and menu package tailored to its local market.

"We'll look at those 11 to see how they do and how adaptable the concepts are to other sites," Lansdell said.

Similarly, the 11 lodging properties will serve as test sites of sorts for new lounge concepts. "We intend to use 11 different themes, but we may get hooked by a name we like," he said.

Lansdell and his three-person f&b "team" are still working on the concepts for the first 11 renovation sites. The goal, he said, is to come up with "a unique and creative product at competitive prices."

*(See **RAMADA**, page 153)*

Reviewing plans for one of Ramada's new restaurant concepts are (l. to r.): lounge concept director Ken Detwiler, f&b vice president and project leader Bob Lansdell, corporate food production chef Carlos Luengas and f&b field coordinator Sylvain Touati.

Minorities still face barriers to success

By Charles Bernstein

EAST LANSING, Mich. — A panel of leading food-service and hotel chain recruiters emphasized the difficulties facing blacks entering the industry and trying to advance.

"Most blacks still see this as a service industry," declared Holiday Inns employment manager Nat Alston in a discussion on "Overcoming the Barriers to Minority Recruiting" during Michigan State University's Hotel, Restaurant and Institutional Management School (HRI) annual Career Expo. "Blacks generally are stereotyped, and do not feel they can go beyond being unit managers," he added.

Whites have the "O. J. Simpson superstar syndrome" about blacks in this business, Alston asserted. "Everyone wants to hire a superstar, but they aren't so interested in the other 99% of well-qualified people."

He deplored the fact that "blacks usually are stereotyped as cooks and such" and are not considered for other positions. At the same time, he said, minority people "see hotel-restaurant schools as pots-and-pans work. We've got to educate and sell them on the hospitality industry as a profession."

Asked by chain recruiters in the audience whether he favored a special minority career day, Alston declared, "There is no place for a majority career day and a minority career day, just for one career day equally all." He warned that most recruiters are "ma-

*(See **MINORITIES**, page 171)*

COMMODITIES

Lettuce, cocoa prices down, beef and pork stable

***NRN* Special Report**

Lettuce, that "yo-yo" priced vegetable that virtually every food-service operator uses, is down in price again as *Nation's Restaurant News* goes to press. With the average grower's break even point somewhere between $4 and $5, when lettuce (f.o.b packing shed or field pack) drops under $4, it means lean times for growers. Yet, in a few weeks the price might well be up to $7 to $8.

The wide price swings are caused by three factors: supply, demand and the fact that lettuce is a highly perishable item that cannot be stockpiled when the supply outpaces demand. Supply, of course, is dependent upon actual production, which means weather is a major factor. A few days of unexpected cold weather can slow production, a few days of extremely hot weather can speed growth, but burn heads, so many are not marketable.

While food-service demand is relatively constant, the operator is at the mercy of the retail grocery market as long as lettuce is purchased on price alone. Many growers and packers provide a food-service pack at a fairly stable price level, somewhat higher than the lows and somewhat lower than the highs in price. This permits the operator to project costs and eliminates the need for frantic price "shopping" and the attendant risk of ending up with unsuitable product.

* * *

Fears that manufacturers would tack another price increase on chocolate and cocoa drinks have receded as the world price of raw cocoa dropped substantially over the past month. Reason: The crops from the Ivory Coast, the largest producer, and Brazil, which is increasing production each year, have been larger than expected.

The African nation, in particular, has been selling heavily since the beginning of the year, and prices have softened considerably. This should stave off any price increases for the finished product.

There is a loosely knit control group for cocoa, the International Cocoa Organization. It tries to impose shipping quotas on members and has, with little success, attempted to support prices by buying cocoa when market supplies grow too large.

Unlike the coffee producers organization, the cocoa group has largely been ineffectual, because many of its producer member countries ignore restrictions when they have good supplies. Of course, this benefits the operator, at least short term.

Coffee prices are another matter. A good deal of the last Brazilian crop was below par in quality, with coffee roasters looking for other sources.

At the same time, a number of the Latin American countries that also provide the mild arabica beans which American coffee drinkers prefer are involved in internal turmoil,which has affected the production of coffee. In some countries where coffee is a major export dollar earner, guerrillas routinely disrupt coffee harvesting and shipping in an attempt to topple their government.

Even in those Latin American countries where production is not affected by terrorists, poor weather delayed harvests. There is hope for an easing of the price/supply situation soon. however. Supplies of coffee from those areas are expected to increase through the end of this month as countries attempt to fill their first-quarter quota set under the International Coffee Agreement.

That agreement is set by the International Coffee Organization, a compact of both grower and consumer countries, including the United States. The ICO supports raw coffee prices (and therefore

*(See **LETTUCE**, page 153)*

PRICE MOVEMENT AT A GLANCE

	Feb. 25, 1984	Jan. 25, 1985	Feb. 25, 1985
Beans, pinto, dried, Colo. (cwt.)	$21.00	$19.50	$19.00-19.50
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.02	$0.98	$0.97
Broccoli, No. 1, Calif. (14s)	$9.00-10.00	$7.00-8.00	$4.00
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.6565	$0.5558	$0.5354
Cocoa, Ivory Coast, NYC docks (lb.)	$1.202	$1.076	$1.052
Coffee, green bean, Brazilian, NYC dock (lb.)	$1.52	$1.42	$1.45
Eggs, Grade A, large white, Chicago (doz.)	$0.97	$0.65-0.68	$0.54-0.57
Lettuce, iceberg, No. 1, Calif. (24s)	$4.00-5.00	$6.00-8.00	$3.00-4.00
Pear halves, Choice HS, Northwest (6/10)	$15.25	$17.75	$18.25
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$0.91	$1.01	$0.88

Source: *NRN* Research

COVER STORY

SECOND-TIER CHAINS:

BIG FISH MAKE WAVES IN SMALL PONDS

By Joe Edwards

If there exists a hunting ground for the major food-service companies, it is the industry's second tier—that vast universe of chains operating in local and regional markets.

While competing directly and often quite effectively with the Top 100 chains, many of the strongest second-tier performers provide concept and product inspiration to the McDonald's and Burger Kings of the world.

Even though many second-tier chains such as D'Lites and Fuddruckers are expanding rapidly, many others seem content with their status as the big fishes in small ponds.

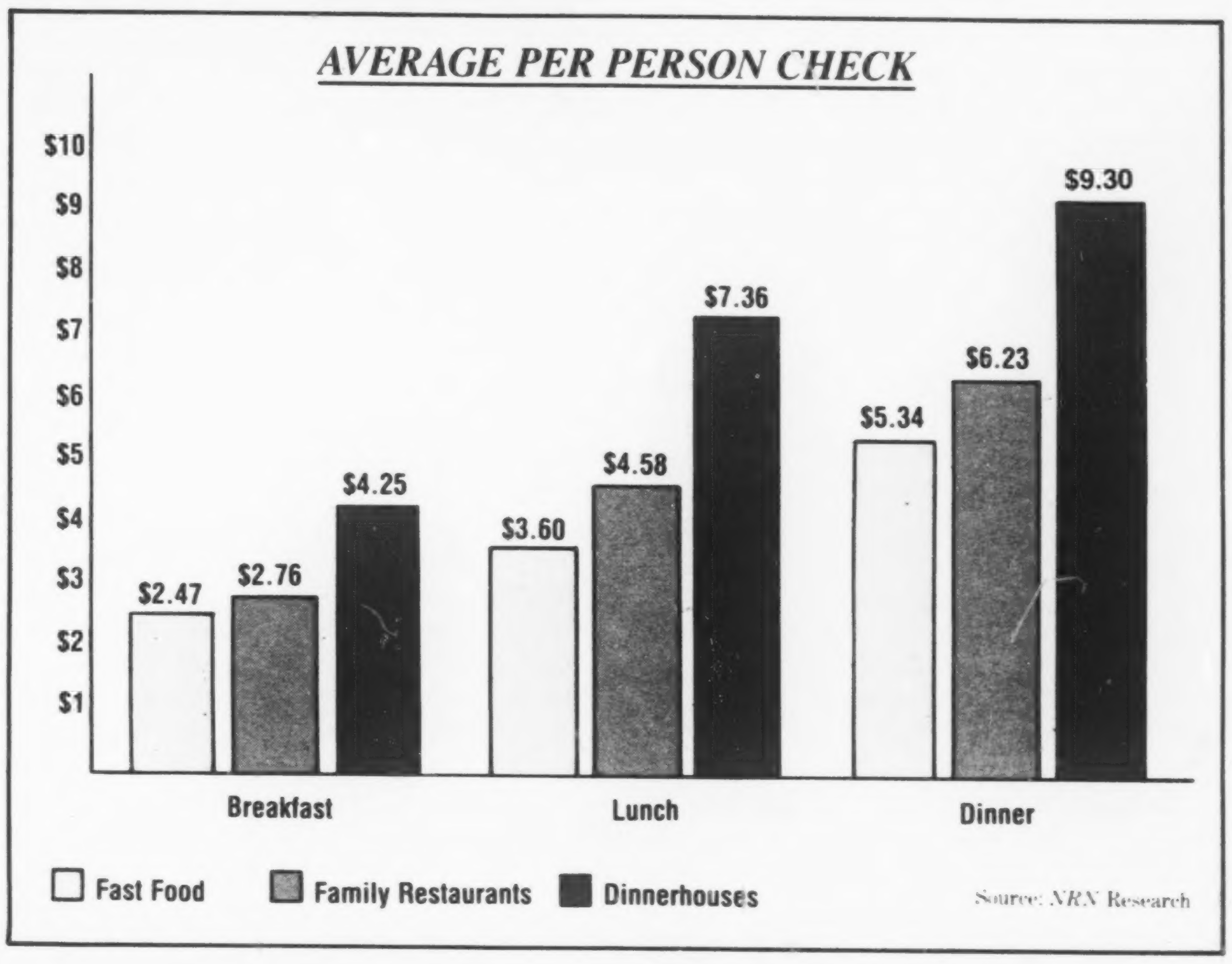
Staying small has its advantages, Ted Pritchard, senior vice president of (Compri) Hotels, owned by the 18-unit Doubletree Inns. Operating in a small area allows operators to "stay in touch with what's going on in the market, and it doesn't take you long to do things."

Stephen Elmont of Creative Gourmet, echoing the opinions of other small contract feeders, claims that big nationals don't have "the mindset" to offer their clients customized menus as many of their second-tier competitors do. "They're feeding the masses, and we're feeding the people," Elmont says.

Being smaller than the nationals, those in the second tier—loosely defined by *Nation's Restaurant News* as any multiunit operation below the Top 100 that is not owned by a large food-service company—may not enjoy the economies of scale of their large competitors. But the best operators in the second tier have a proven ability to respond quickly to changing consumer tastes—critically important in an industry that is increasingly consumer driven.

Case in point is the consumer demand for large fast-food burgers served in an upscale setting that was correctly perceived several years ago by entrepreneurs such as Chili's

*(See **CHAINS**, page F4)*



Source: *NRN* Research

SECOND-TIER CHAINS AT A GLANCE

	Fast Food	Family Restaurant	Dinnerhouse
Average Per-Unit Sales:			
1983	$400,000	$1.0M	$1.6M
1984	$470,000	$1.0M	$1.6M
Average Per-Person Checks:			
Breakfast	$2.47	$2.76	$4.25
Lunch	$3.60	$4.58	$7.36
Dinner	$5.34	$6.23	$9.30
Average Number of Units of Chains Surveyed	84	57	39
Average Number of Units added in 1984	11	6	7
Number of Units new Planned for 1985*	18	6	10
Per Cent of Chains Making Menu Major Changes in 1984	25%	39%	50%
Per Cent of Chains Planning Menu Expansion in 1985	60%	72%	75%
Per Cent of Chains Raising Prices in 1984	80%	94%	58%
Average Per Cent Menu Price Increase	4.8%	4.7%	5.1%
Per Cent of Chains Serving Alcohol	40%	61%	38%
Of Those Chains Selling Alcoholic Beverages, Per Cent Selling:			
Beer	100%	100%	100%
Wine	75%	100%	100%
Hard Liquor	12%	82%	100%
Per Cent Noticing Decline in Bar Sales in The Past Year**	12%	27%	40%
Per Cent of Chains Advertising To Consumers	90%	94%	83%
Average 1984 Advertising Expenses	$1.25M	$575,000	$1.0M
Per Cent of Chains Planning to Increase Ad Spending in 1985	78%	47%	40%
Average Number of Employees Chainwide	1,150	1,950	1,840
Average Number of Unit Employees	15	43	63
Average Number of Headquarters Employees	35	42	25

Source: *Nation's Restaurant News Research*

*Of those chains planning expansion this year: 100% of fast feeders, 83% of family restaurant and 92% of dinnerhouses.

**Average decline in alcoholic beverage sales was 13.1%

Figures shown in this chart were compiled from a survey of fast-food family restaurant and dinnerhouse chains with annual systemwide sales of less than $182 million, which was the cutoff point for *Nation's Restaurant News'* 1984 Top 100 Chains list.

Second-tier chains have a year of mixed results

(Continued from page 1)

customer traffic softness in 1984. Even though 94% of the family restaurant chains surveyed raise menu prices an average of 4.7%, unit sales remained at an average of $1 million, the same as the previous year. Dinnerhouse sales averaged $1.6 million, the same as in 1983, even though 58% of the chains surveyed hiked menu prices an average of 5.1%.

Other important points gleaned from the survey:

- Fast feeders expanded units at a rate of 15% in 1984 and plan to increase the rate of unit growth to 21% this year. Family restaurant chains are slowing unit growth to an average rate of about 10% this year compared with 12% in 1984. Dinnerhouses will increase their rate of expansion to an average of 26% this year.
- Of those second-tier chains serving alcoholic beverages, 12% of the fast feeders, 27% of the family restaurants and 40% of the dinnerhouses noticed an average 13.1% drop in bar sales.
- A vast majority of second-tier chains—60% of fast feeders, 72% of family restaurants and 75% of dinnerhouses—plan to expand menus this year.
- Average per-person checks for each meal period vary greatly in the second tier. At dinner the average fast-food check is $5.34, compared with $6.23 at family restaurants and $9.30 at dinnerhouses. At lunch average checks are $3.60 at fast feeders, $4.58 at family restaurants and $7.36 at dinnerhouses. The spread at breakfast is narrower: $2.47 at fast-food outlets, $2.76 at family restaurants and $4.25 at dinnerhouses.

Many of the operators who either changed menus last year or are planning to do so in 1985 said they are making changes because of consumer demands for fresh and "lighter" foods, the need to raise volumes by adding new meal periods and successful tests of new products.

In the second-tier fast-food segment, the most popular new menu items are chicken nuggets, unusual pizza toppings, salads, appetizers, specialty sandwiches, barbecued ribs and chicken, breakfast and salads.

Despite the overall trend toward expanded menus in second-tier fast-food chains, several operators said they are planning to trim the number of choices on their menus. "We were too diversified," commented one operator. Having fewer menu items, he added, will mean "less confusion to the customer and faster service."

Family restaurant operators said they are adding more appetizers, salads, sandwiches, Mexican and Tex-Mex foods, breakfast bars, pasta, seafood and grilled dishes.

According to dinnerhouse operators, they are adding such menu items as seafood, chicken, pasta and salads for consumers who count calories; ribs because of their popularity, and other items to build visiting frequency.

"We added various seafood items in 1984," said one steakhouse operator. "We have added sushi to our menu. We were always a steakhouse chain. Now the public is becoming more health conscious, so seafood is a must."

Lebhar-Friedman Research, a unit of Lebhar-Friedman Inc., *Nation's Restaurant News'* parent, conducted the survey of second-tier operators in February. Operators with systemwide sales of less than $150 million in various parts of the country were interviewed.

FOCUS | NRN

BIG FISH IN SMALL PONDS

> *'Nobody is going to eat a hamburger every day. We don't mind being next to the big buys. We're best at what we do.'*
>
> **—Chuck Leaness, Blimpie's**

(Continued from page F3)

founder Larry Lavine and Fuddruckers' founder Philip Romano. Numerous large chains at first rushed to acquire both operations and, failing that, picked up others or developed their own copycat chains. Saga purchased Spoons after Lavine turned down an attractive bid. Pillsbury, another Chili's suitor, is testing J. J. Muggs and Diversifoods has Moxie's.

This upscale burger segment has since gone through its own segmentation, with Chili's evolving into a hybrid casual theme restaurant with alcoholic beverages and table service, and Fuddruckers and Flakey Jake's sticking with a self-service approach.

In several major segments, smaller chains were the ones developing some of the most popular, most imitated and most successful new menu items and concepts. Home delivery, once the domain of mom-and-pop pizza operators, is now being used or tested by most larger pizza chains. And while smaller operators such as Pizzeria Uno were among the first to offer unusual toppings such as a shrimp, crab and garlic pizza, most of the larger chains are now experimenting with such unusual toppings.

The industry, meanwhile, remains fascinated with the chain possibilities of Italian and Asian dinnerhouses, though national concepts have yet to emerge. However, Pizza Hut founder Frank Carney's China Rose concept is being closely watched and two food-service giants have picked up Italian concepts which they plan to expand: Collins Foods acquired the 10-unit Josephina's Cafe and Hardee's purchased Louisville's Mamma Grisanti's.

Still embryonic, the "pollo" segment (marinated chicken grilled over charcoal) is growing fast. While Denny's has already picked off El Pollo Loco, several other chains, including Marco Pollo and El Pollo Asado, show promise.

Taking regional foods to new areas has also proved a winning formula for some smaller operators. Po' Folks is making a splash with down-home cooking served in a family restaurant environment and already has its imitators. Fort Lauderdale-based Zackly's and giant Diversifoods' Luthers, which was started by Chandler, the one-name entrepreneur who also established Spoons before selling to Saga.

In the hotel segment, it was small independents such as Guest Quarters which helped create the first all-suite concepts that in a few short years have been copied by nearly every major lodging chain.

Acquisition moves by major chains and food-service companies who closely study the second tier produce mixed results. Saga so far has been unable to get Spoons off the ground but has had better luck with Grandy's, an upscale chicken chain.

Other acquisitions of second tier chains have included Collins Food's purchase of Josephina's, Emma's Taco House and Chicago's Gino's East pizzeria; Denny's purchase of El Pollo Loco, which it plans to expand, and W. R. Grace's acquisition of Carrow's, an upscale family restaurant chain; Diversifoods' purchase of Godfather's, a once high-flying pizza chain that is in serious trouble, and Horn & Hardart's purchase of Bojangles', a spicy chicken-and-biscuits concept that serves breakfast.

Of course, not every successful entrepreneur in the second tier is interested in selling out. Chili's Lavine spent the better part of two years fighting off offers from such suitors as Pillsbury and Saga before making Pillsbury's Norman Brinker an offer he couldn't refuse; Brinker is now chairman and chief executive of Chili's and Lavine has left the chain.

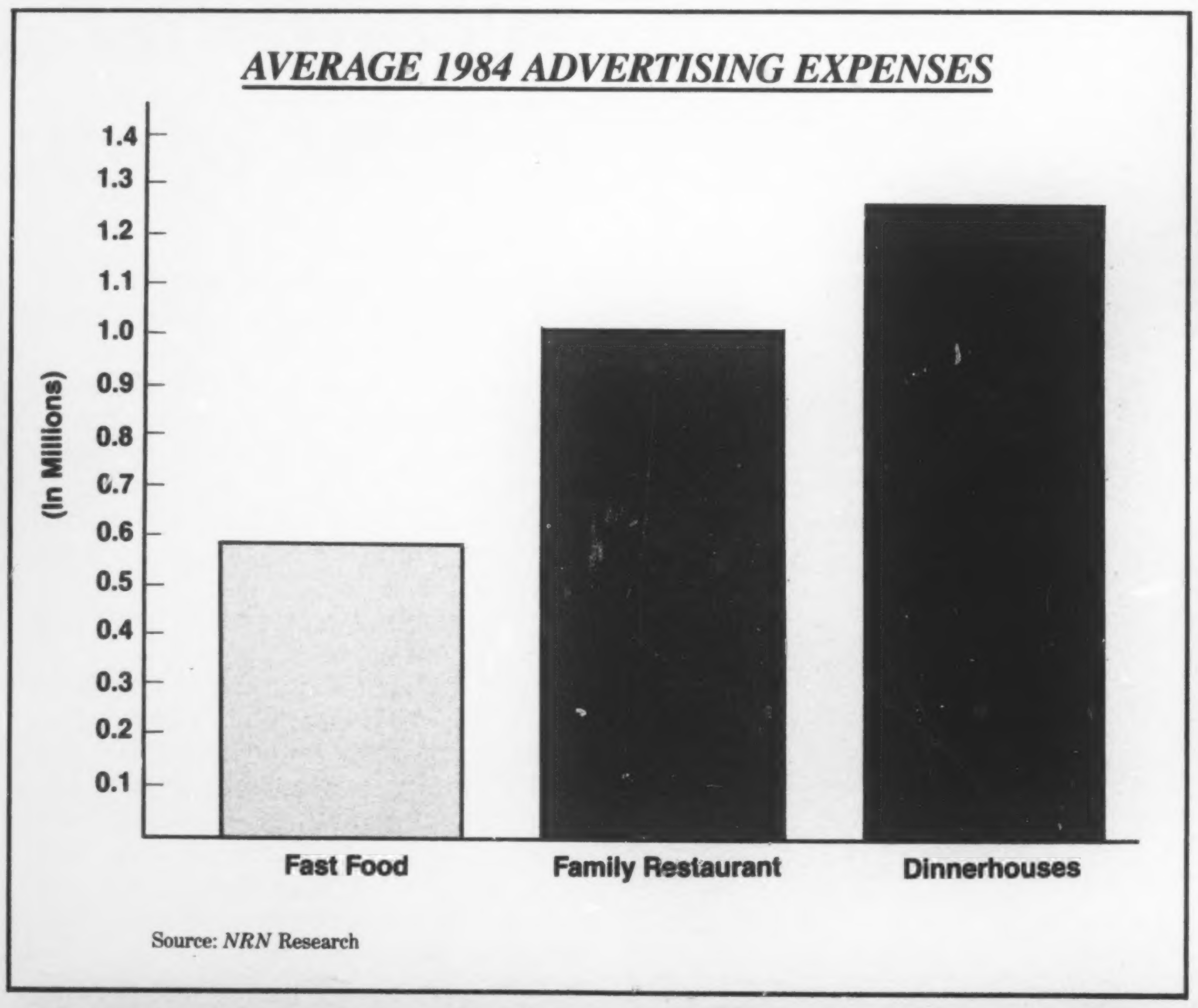
Meanwhile, other entrepreneurs are staking their claim in specific and sometimes new market niches. Before he was forced to retire because of poor health, Mark Weiss helped to develop the Fresher Cooker "healthy" fast-food chain. And Doug Sheley is busily expanding his own chain of reduced-calorie fast-food restaurants called D'Lites.

Just because a chain is unique, small and headed by an entrepreneur does not, of course, guarantee success. Some of the brightest stars of the last two years have been stumbling lately, perhaps because they expanded too quickly.

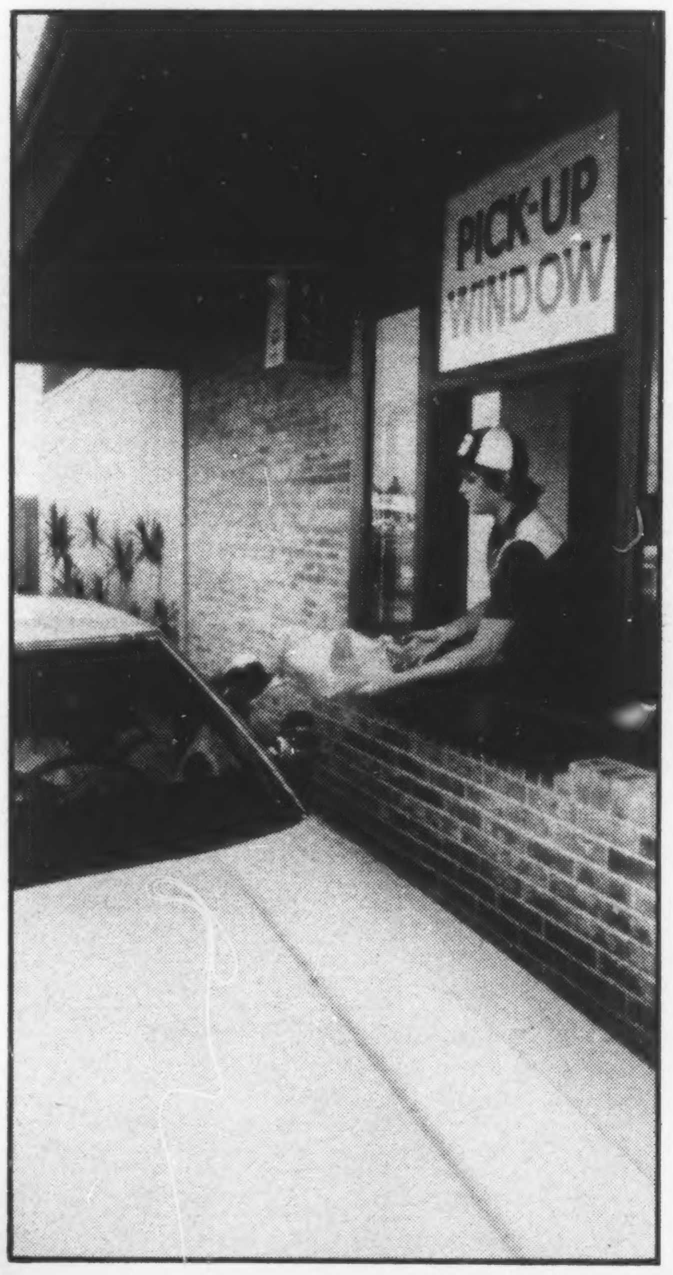
Among those having trouble are G. D. Ritzy's, a fast-food burger and ice cream chain with a 1950's theme; Naugles, a once fast-growing chain of mostly take-out Mexican fast-food, and Peoples, spun off by Bonanza and now in the process of converting most of its remaining 26 units to either Cap't. Crab or Studebaker's units.

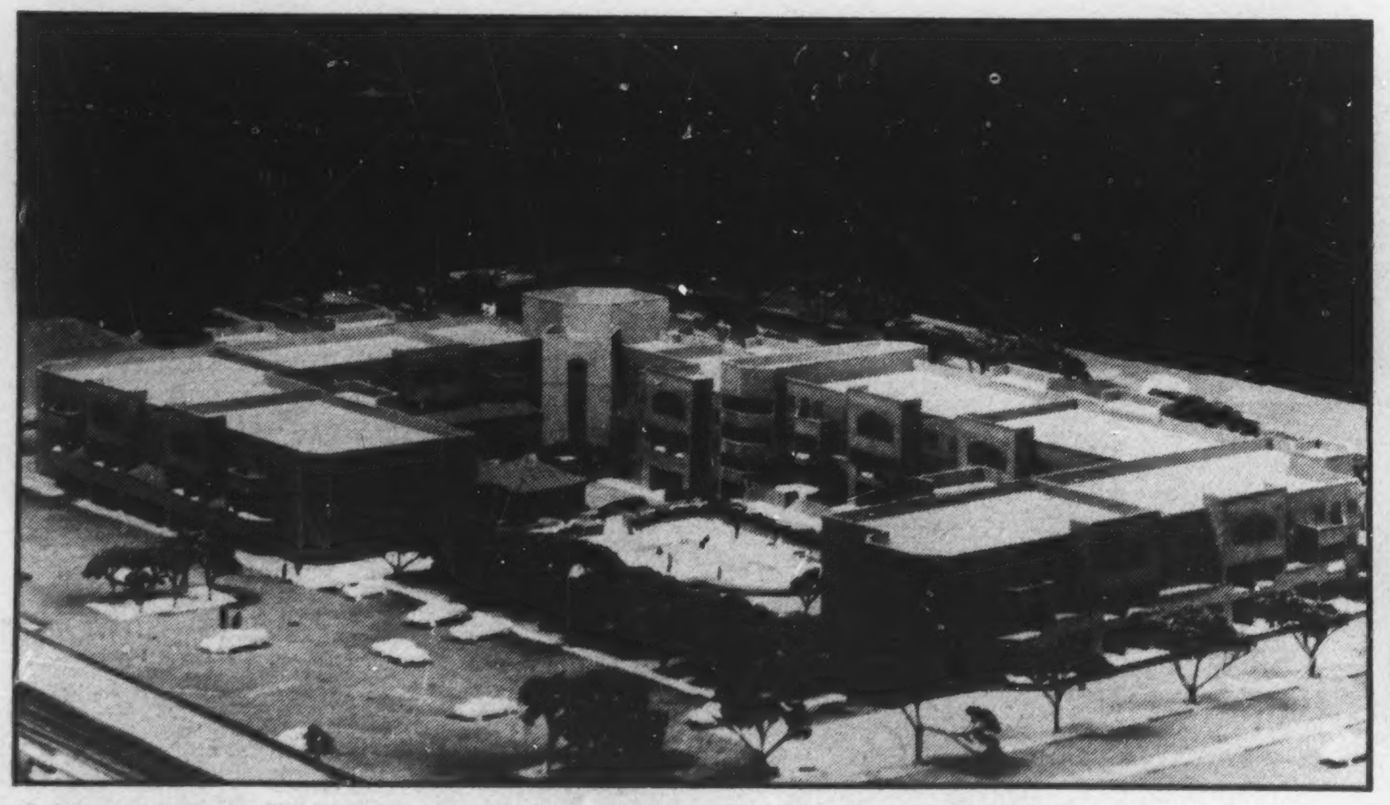
Some whose concepts have become dated are able to bite the bullet and convert to new concepts. Beefsteak Charlie's, which has made its way onto past Top 100 lists, is now converting many of its outdated steakhouses into Tallulah's American Cafe and other concepts.

Mrs. Winner's
CHICKEN & BISCUITS
BREAKFAST
DRIVE THRU
WELCOME



Source: *NRN* Research





The second-tier chains are big fish in their own small regional ponds, making waves in the food-service industry.

'Pollo' chicken chains pecking out path to profit

By Richard Martin
West Coast Editor

Hatched from a single, inspirational El Pollo Loco "goldmine" unit in Los Angeles little more than four years ago, the Mexican-style "pollo" (*poy-oh*) chicken segment has produced three chains so far that intend to peck out a path to profit.

On comparatively fast growth tracks, with relatively high unit volumes and low-overhead fast-food formats, the three rival char-grilling concepts—El Pollo Loco, El Pollo Asado and Marco Pollo—agree among themselves that they are the only contenders in the pollo chain arena.

But other promising nonfried chicken outfits persist nonetheless, like the Greek-flavored Chirping Chicken and Here Chick Chick Chick in New York, or the scores of other mom-and-pop "pollo" operators in the Southwest and elsewhere.

Birds of a feather, the three segment leaders share the same Mexican conceptual roots, along with similar limited menus featuring marinated, butterfly-cut grilled chickens sold with tortillas and Mexican salsa for about $3.25 for half a bird. To their mutual advantage the three offer a chicken product that is cooked where customers can see it served up, literally, hot off the grill.

El Pollo Loco, now owned by Denny's and expanded from 19 to 35 units in southern California and Texas, is clearly the growth leader of the pollo pack, although—like the others—net profits have not yet materialized due to start-up costs. Unit volumes reportedly range from the nearly $750,000 to $1 million.

Phoenix-based El Pollo Asado, after quickly selling out its first public stock offering, is also poised for rapid expansion beyond its current seven units, which reportedly have sales of about $728,000 each on an annualized basis.

Cincinnati-based Marco Pollo, the year-old transplant to Ohio that started as one of the hundreds of Pollo Loco clones in the Los Angeles area, has just inked a 10-unit expansion pact with a Florida franchisee, and is about to open its second Los Angeles-area unit and its fourth in the Greater Cincinnati market.

Although volume and profit projections are difficult given Marco Pollo's "embryonic" status, president Philip Goldman says that per-store sales of between $700,000 and $800,000 with 25% pretax store margins are distinct possibilities. Marco Pollo's attractive—and typically low—labor cost is 19% of sales, and "could drop to 16% as volumes grow," Goldman says.

Convinced that health-price/value-consciousness will further their growth objectives, the "pollo" chains are taking aim at the fast-chicken market overwhelmingly dominated by purveyors of deep-fried products.

But the major chicken chains have not ignored the "pollo" threat. Saga Corp. chairman Charles Lynch says his company's fast-growing fried chicken chain, Grandy's, is ready to add a flame-grilled chicken product if the market shifts markedly in that direction.

KFC, Church's and Pioneer have tested the market for "pollo" chicken, but have backed away, citing reasons including "limited appeal."

However, El Pollo Asado marketing vice president Donn Seidholz thinks KFC and the others want to keep their distance from the "pollo" market only to save face. By launching nonfried chicken spinoffs, "They'd be admitting they've been selling an inferior product," Seidholz says.

Pollo Asado is banking partly on consumer education in its quest to gain a share of the fried chicken market. Seidholz points out that the typical eight-piece, 2¾- to 3-lb. whole Pollo Asado chicken has 904 calories and 328mg of cholesterol, against 1,690 calories and 740mg. of cholesterol in the nine-piece, 2- to 2½-lb. whole KFC chicken.

El Pollo Loco tells customers that its typical meal weighs 25% more than a comparable fried chicken meal having the same calories, yet has 65% more protein, 30% less fat and 20% less sodium.

However, Marco Pollo's Philip Goldman says flame-broiled chicken does not compete as directly with fried chicken as some believe. "The fried-chicken consumer wants fried chicken," Goldman says, identifying his marketing target as the upscale fast-food burger customer "not tied to fried chicken," who is "slowly but surely tiring of the chaotic atmosphere of fast food." Goldman says he would have his market cornered if enough consumers develop a Marco Pollo habit. "A flame-broiled chicken product is just nonexistent elsewhere," he says.

Although the "pollo" phenomenon in the United States was launched in late 1980 by an eager Hispanic customer base in Los Angeles, the three chains see today's market expanding dramatically.

"Basically, what we have here is a white, middle-class 'Anglo' product," says Pollo Asado's Seidholz, pointing to educated married couples in the 25-49 age group as his typical customer base. Pollo Asado says it has learned it no longer needs to locate units in areas with at least a 25% Hispanic population

Similarly, Goldman says Marco Pollo appeals to those in a 24-39 age group, from households with incomes over $20,000. For the Cincinnati market, "We have Anglicized the concept considerably," he says.

El Pollo Loco's marketing manager Margaret Jenkins says that virtually all of her chain's recent growth in southern California has been in non-Hispanic neighborhoods.

As more Americans are eating more poultry, the advent of "pollo" chicken increases the options open to fast-food patrons, Jenkins believes. "Up to now if you didn't want it fried, you had to eat it at home," she says.

El Pollo Loco, which had earlier intended to expand its concept into El Pollo Asado's home market in Phoenix, has decided instead to study its six-unit Houston expansion market while building a like number of outlets in San Diego this year.

Meanwhile, El Pollo Asado has readied for growth by hiring 17-year A&W and Bonanza Steakhouse franchising veteran Ed Kosan as franchise development vice president. El Pollo Asado's founders and majority shareholders, former Garcia's of Scottsdale executives Dick Lipson and Rick Peterson, have also hired 10-year Friendly Ice Cream Corp. financial executive Ron Paradis as chief financial officer.

El Pollo Asado netted about $1.8 million for expansion when it sold out in four days last October the 45% of its stock it has offered to the public at $3 a share. The stock currently trades in the $5 range.

Seidholz believes that many of the mom-and-pop "pollo" outlets will be squeezed out of business because, unlike professionally managed companies like El Pollo Asado, they can't afford systems to assure the consistency of their core menu item, which demands strict monitoring and control throughout its 45-minute cooking cycle. Referring to the recent completion of his company's video-cassette training programs, Seidholz says, "There is lots of room for mistakes, and I can't see a mom-and-pop outfit spending $50,000 for training films."

El Pollo Asado has what may be the most flexible menu of the three chains. Its biggest selling item is the eight-piece whole chicken for $6.79 with tortillas and salsa. The chicken is available all alone for $5.89. For $7.79 customers get the tortillas, salsa and a choice of beans, rice or potato salad.

An El Pollo Asado lunch, called the "light eater," combines two pieces of chicken with tortillas, salsa and potato salad for $2.29. The company's larget combo order is the 20-piece "party fiesta" for $17.59, including tortillas, salsa and three 1-pint side orders.

Pollo Asado says it now fields more than a dozen franchise inquiries a day. The four-unit rights to Tucson were recently sold, along with a franchise in Santa Rosa, Calif. Two of the three units currently under construction in Phoenix are franchised, with three more expected to break ground there by spring.

Marco Pollo's standard 2,050-sq.-ft., 48-seat freestanding building with drive-thru costs about $185,000 to build and $95,000 to equip. A turnkey franchise unit, including real estate, can cost between $350,000 and $600,000, Goldman says.

Beverages
SMALL MED LARGE
PEPSI
PEPSI DIET
MOUNTAIN DEW
ORANGE BANG
PINA COLADA
COFFEE
Additional
SALADS
POTATO
MACARONI
SALSA EXTRA
TORTILLA

Employees at an El Pollo Loco unit in Los Angeles grill the chicken. The chain had $4.7 million in systemwide sales for 1984.

SELECTED 'POLLO' CHAINS

Chain	Systemwide Sales (In Thousands)		Average Same Store Sales (In Thousands)		Average Per Person Checks*		Number of Units		Menu Price Hikes	
	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984
El Pollo Asado Phoenix, Ariz.	$300	$3,500	$600	$ 728	$2.75	$2.95	2	5	—	7.0%
El Pollo Loco Santa Fe Springs, Calif.	N/A	4,700	N/A	750-1,000	N/A	1.71	19	31	—	3.5
Marco Pollo Cincinnati, Ohio	—	N/A	—	N/A	—	2.20	—	4	—	—

*About 75% of "pollo" sales are take-out, feeding an unknown number of people. Per-person checks are estimates.
N/A = Not Available
Source: *NRN* research

Upscale burger chains grapple for place in untamed niche

SELECTED 'GOURMET' HAMBURGER CHAINS

Chain	Revenues (In Millions) 1984	Revenues (In Millions) 1985*	Average Same Store Sales (In Millions) 1984	Average Same Store Sales (In Millions) 1985*	Average Per-Person Check	Numer of Units 1984	Numer of Units 1985*
Chili's Dallas, Tex.	$43.1	$69.0	$2.0	$2.1	$6.50	45	68
Fuddruckers San Antonio	25.1	75.4	1.6	1.8	5.25	50	125
Flakey Jake's Kirkland, Wash.	13.1	44.5	1.4	1.7	4.92	22	92

*Estimate

Source: *NRN* Research

By David Zuckerman

Fueled by an aging baby-boom generation's desire to step up from fast food, a host of aggressive, expansion-minded operators have begun to cross swords in earnest this year as the battle to dominate the emerging upscale hamburger segment intensifies.

While McDonald's, Burger King and Wendy's wage burger wars on a national scale, a new wave of contenders led by such chains as Chili's, Flakey Jake's, Fuddruckers and Red Robin are attempting to redefine the marketplace.

Eschewing the prepackaged offerings of their fast-food predecessors, these so-called "gourmet" hamburger chains have staked out a niche at the midpoint between trendy casual themers like Bennigan's and Houlihan's and traditional fast-food hamburger operations.

Though concepts vary—ranging from the bare-bones self-service format pioneered by San Antonio-based Fuddruckers to full-service proponents like Dallas-based Chili's—fresh ingredients, moderate pricing, limited alcoholic beverage service, a strong family orientation and potential unit volumes of $2 million or better are common denominators.

"It's one overall market with a host of different strategies," said Charles Glovsky, vice president of Dallas-based Eppler, Guerin & Turner Inc., an investment banking firm. "They are all after the same fast-food burger eaters."

Competition from large food-service companies has further complicated the race for market share. Saga's Spoons, S&A Restaurant Corp.'s JJ Muggs, W. R. Grace's T. J. Applebee's, Diversifoods' Moxie's and Pizza Inn's J. T. McCord's are among a number of neophyte concepts flooding the marketplace.

But small independent companies, operating from bases in Texas and on the West Coast, have jumped out to a clear lead. Seattle-based Red Robin, with about 25 units, and Beverly Hills, Calif.-based Hamburger Hamlet, with 23, have each operated regionally for several years without significant competition. Chili's, Fuddruckers and Kirkland, Wash.-based Flakey Jake's, however, have emerged as the key players in the race to establish a national presence.

While these three companies—all relative newcomers—comprise little more than 100 units combined, their emergence over the past year has already sparked widespread industry speculation over the potential scope of the upscale burger segment. Further, fast-food giants like McDonald's, Burger King, Wendy's, Hardee's and Arby's have begun rolling out "gourmet" burgers of their own in anticipation of increased competition from these more-upscale chains.

Rapid expansion of these three concepts, characterized by sweeping moves into new geographic regions, is expected to take place over the next five years with more than 1,000 restaurants planned by the end of the decade.

Fuddruckers, with 50 restaurants at the end of 1984 (22 company and 28 franchised) has taken the early lead in pure numbers and has spread from Texas—where it was founded by entrepreneur Philip Romano—into California, Florida, parts of the Midwest and Ontario, Canada. About 50 franchised units and 25 company-owned stores are targeted for each year between now and 1990.

A more modest expansion scenario is professed by Chili's, which operated 35 restaurants at the end of 1984 and plans to add about 10 more by mid-1985. Growth over the next five years is expected to occur at a rate of about 50% per year.

From its base in Dallas, Chili's, like Fuddruckers, has targeted California and Florida for major unit buildup this year. Expansion is also under way into the Denver market.

For Flakey Jake's, which will meet Fuddruckers head-on in the Chicago market this year, 22 units were in operation by the end of 1984 (15 company-owned and seven franchised). An additional 70 restaurants are planned for the end of 1985 with franchising playing a significant role in the chain's growth.

Already, Flakey Jake's has commitments for almost 400 franchised stores over the next five years with an impressive list of franchisees that includes Pizza Hut founder Frank Carney, Long John Silver's co-founder Jim Patterson, Godfather's Pizza founder Willy Thiesen and Horn & Hardart chairman Barry Florescue. (Both Carney and Patterson hold sizable equity positions in the company and are members of Flakey Jake's board.)

Chili's plans to add 10 more units by the end of 1985, most targeted for California and Florida markets.

While literally hundreds of small regional restaurant chains over the years have failed in attempts to expand nationally, Fuddruckers, Chili's and Flakey Jake's have captured the attention of observers both within and outside the food-service industry. With average checks in the $5 to $7 range and annual unit volumes already exceeding $2 million at some locations, the three chains appear tailor-made for current demographic trends.

Chili's, which last year cast off the "gourmet" hamburger label in favor of a broader-based family restaurant orientation, offers a varied menu that relies on hamburgers for less than 50% of sales, according to the company. In a casual atmosphere that features full table service, customers can choose from among a host of salads, appetizers and side dishes and a variety of Mexican items including tacos, chili and chicken and beef fajitas. The average per-person check runs about $6.50, while liquor accounts for some 20%-25% of sales.

Founded by entrepreneur Larry Lavine—who has since stepped aside—Chili's boasts a strong, experienced management team headed by Norman Brinker, the former force behind Pillsbury's S&A Restaurant Corp. Since joining the company in 1983, Brinker has attracted other S&A executives to Chili's including Hal Smith, who has replaced Lavine as the chain's president and chief operating officer.

On a year-to-year basis, Chili's has soundly outperformed Fuddruckers and Flakey Jake's, both of which have yet to turn a profit. In the second quarter of fiscal 1985 ended Dec. 31, for example, Chili's posted a 135% gain in net profit to $931,000, compared to year-earlier figures, on a revenue increase of 59%, to nearly $16 million. For the fiscal year, ended June 30, analysts estimate that the company's profits could jump more than 130% to about $4.6 million.

By comparison, Fuddruckers posted a net loss of 29.4%, to only $180,000 for its fiscal year ended Dec. 31. With a menu dominated by ½-lb. hamburgers, the chain has been slow to respond to a splintering within the upscale burger segment which has seen a move to broader menus targeted toward families.

Still, Fuddruckers' units have been averaging about $1.6 million in sales—with volumes considerably stronger in newer markets outside Texas—on startup costs of only $1.2 million, representing an attractive return on investment for franchisees.

With its own butcher shop and bakery in plain view of the customer, Fuddruckers' mainstay is the 8-oz., freshly ground burger served on a baked-in-house bun and garnished with fresh ingredients. Cafeteria-style service and a bare-bones interior designed to amplify the chain's on-premises preparation are its hallmarks. A ⅓-lb. hamburger and a grilled chicken sandwich have recently been added to the menu to increase appeal to women and children.

Management strength, however, presents a question mark as Fuddruckers prepares to embark on a major unit expansion drive. Founder Romano has stepped aside and operations head Douglas Wheeler has moved to rival Flakey Jake's, leaving the company in the hands of William Baumhauer, who is virtually untested in running a large restaurant chain.

"Fuddruckers does not appear to have the operations expertise of Flakey Jake's or Chili's," said Steven Rockwell, an analyst with Alex Brown & Sons, Baltimore. "They have been locating their units on very expensive real estate in some markets and poor locations in others. Fuddruckers' stores appear to need tremendous volume to thrive."

Beginning as a virtual carbon copy of Fuddruckers, Flakey Jake's has followed Chili's lead in broadening its image from strictly an upscale hamburger operation to a family-oriented restaurant chain.

Under the strong leadership of former Sambo's and Chart House (now Diversifoods) chief Robert Luckey, Flakey Jake's recently slashed prices on its hamburgers, added a host of lighter nonbeef items to its menu and de-emphasized liquor to less than 10% of the sales mix. In addition, the chain has added an enhanced bakery section and separate dessert bars to appeal to children.

Units, which cost from $1.1 million to $1.4 million to launch, have been averaging about $1.4 million in yearly sales with newer stores producing as much as $2.3 million in annual volumes. While Flakey Jake's is expected to post a net loss of about $1.1 million for its fiscal year ending March 31 and may remain in the red through 1985, conceptual changes instituted by Luckey in late 1984 should begin to produce substantial profits beginning in 1986.

With Luckey at the helm, Wheeler handling operations and several experienced multiunit restaurant operators on its board, Flakey Jake's appears poised for a successful push outside of its West Coast regional base over the next few years.

"Flakey Jake's is one of the most attractive new concepts in the restaurant industry today and potentially one of the best managed companies," Prudential-Bache restaurant analyst Michael Culp said.

Independent restaurant groups: many approaches

By Paul Frumkin

> ‘Farsighted companies are marketing to a wide range of tastes with a number of specialized concepts.’

Independent restaurant groups are not putting all of their eggs into one basket these days.

Farsighted companies across the country such as Michael Weinstein's Ark Management in New York, Peasant Restaurants in Atlanta, Restaurants Unlimited in Seattle and Big 4 in Phoenix are marketing to a wide range of tastes with a number of specialized concepts that can easily be adapted and reproduced if successful.

Along with other innovative groups including Errant Enterprises, Anthony's Hawthorne Restaurants, Lettuce Entertain You, the Levy Organization, Restaurants Central and the New York Restaurant Group, these companies are prospecting a hitherto untapped market area that falls somewhere between the independent and chain dinnerhouse segments.

Like the chains, these groups desperately need to attract and hold the 25- to 40-year-old "baby-boomers" to survive in today's increasingly sophisticated and highly competitive marketplace.

Unlike the chains, however, they are shunning the previously favored cookie-cutter or theme restaurant approach for more individualized specialty operations designed to cater to a particular market or location.

"There's no mass market anymore," says Ray Lindstrom, president of the 16-unit Restaurants Unlimited Inc. "For most of us who aren't selling soap or some other generic item, we've just got to segment the product.

"If you don't market to individual components today, you're in trouble."

Restaurants Unlimited learned this lesson in the field during the late 1970's when their two English-themed dinnerhouses, Clinkerdagger's and Horatio's, began to falter.

As a result, they developed a concept which would finally be able to incorporate virtually all of the 1980's upscale dining trends—from Sashimi and freshly baked breads to California pizza and pasta. Fresh seafood would be broiled over Kiawe—a Hawaiian wood similar to mesquite—and wine by the glass would be served from a nitrogen-fixing dispenser. It was a concept they felt would appeal to young, urban sophisticates.

The first fully realized version of this concept, the 277-seat Cutter's, took off in Seattle, and Restaurants Unlimited quickly built two more: a 257-seat Cutter's in Santa Monica, Calif., and a 348-seat Skate's in Berkeley, Calif. But while all of these restaurants have evolved from the same concept—called the "urban café"—they all differ to some extent from each other, whether in decor, atmosphere or menu.

"We can't get caught with a single concept again," Lindstrom says. "By definition, each project is individualized."

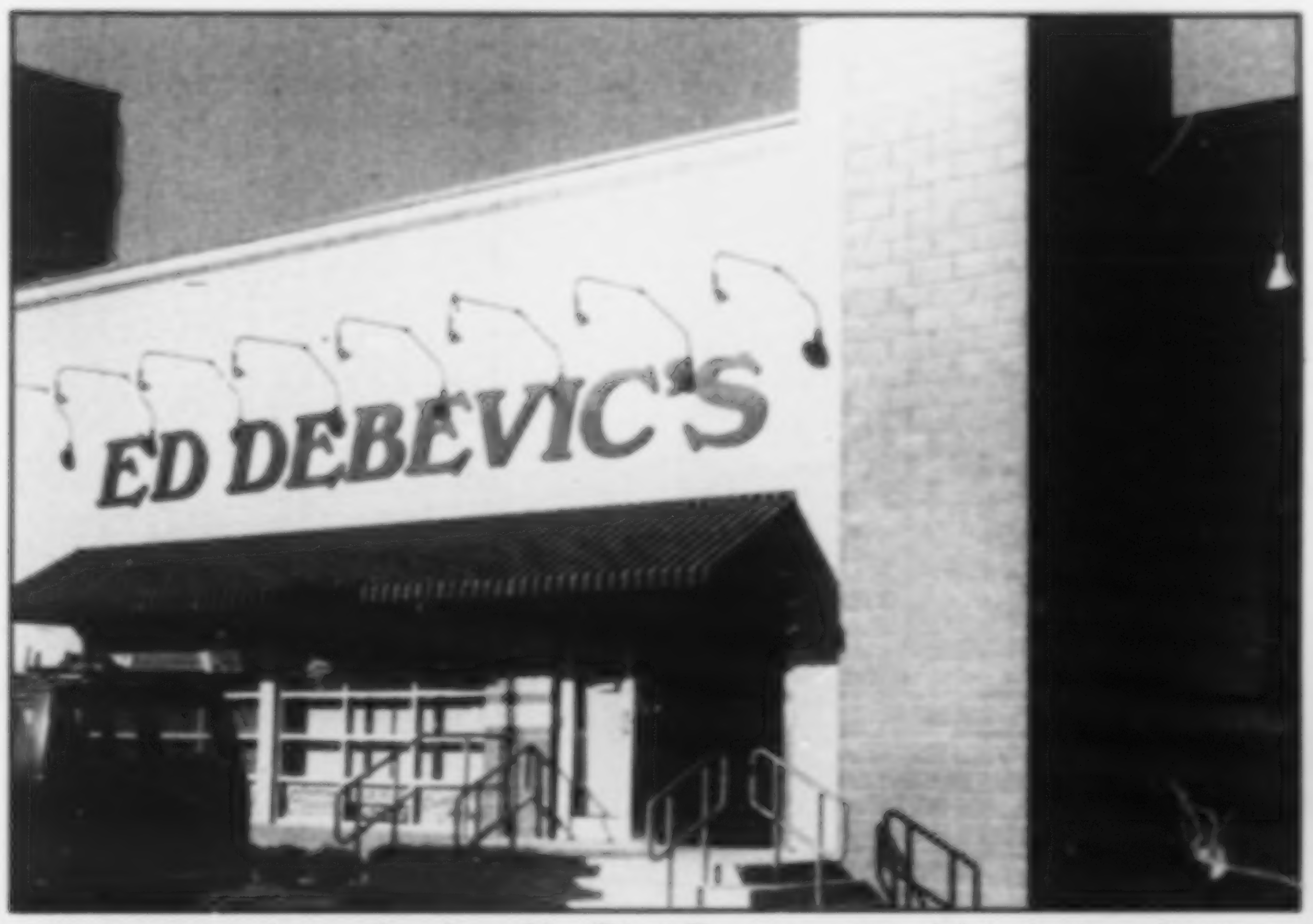
With each restaurant generating an annualized gross sales of between $3 million and $3.5 million, the urban café concept is the company's chief growth vehicle for fiscal 1985—during which time they expect to hit approximately $39 million in total sales. The company expects to build four more restaurants by April 1986, with two slated for Los Angeles, one for downtown Chicago and one for Minneapolis.

But Lindstrom points out that Restaurants Unlimited is also looking for the "right type of sites" for two other less urban concepts—Triples, an upscale seafood dinnerhouse, and Simon and Seafort's, a dinnerhouse with an "emphasis on fresh fish." But like the urban cafe concept, neither restaurant will be reproduced exactly. "We're just not going to do that type [cookie cutter] of restaurant again," he says.

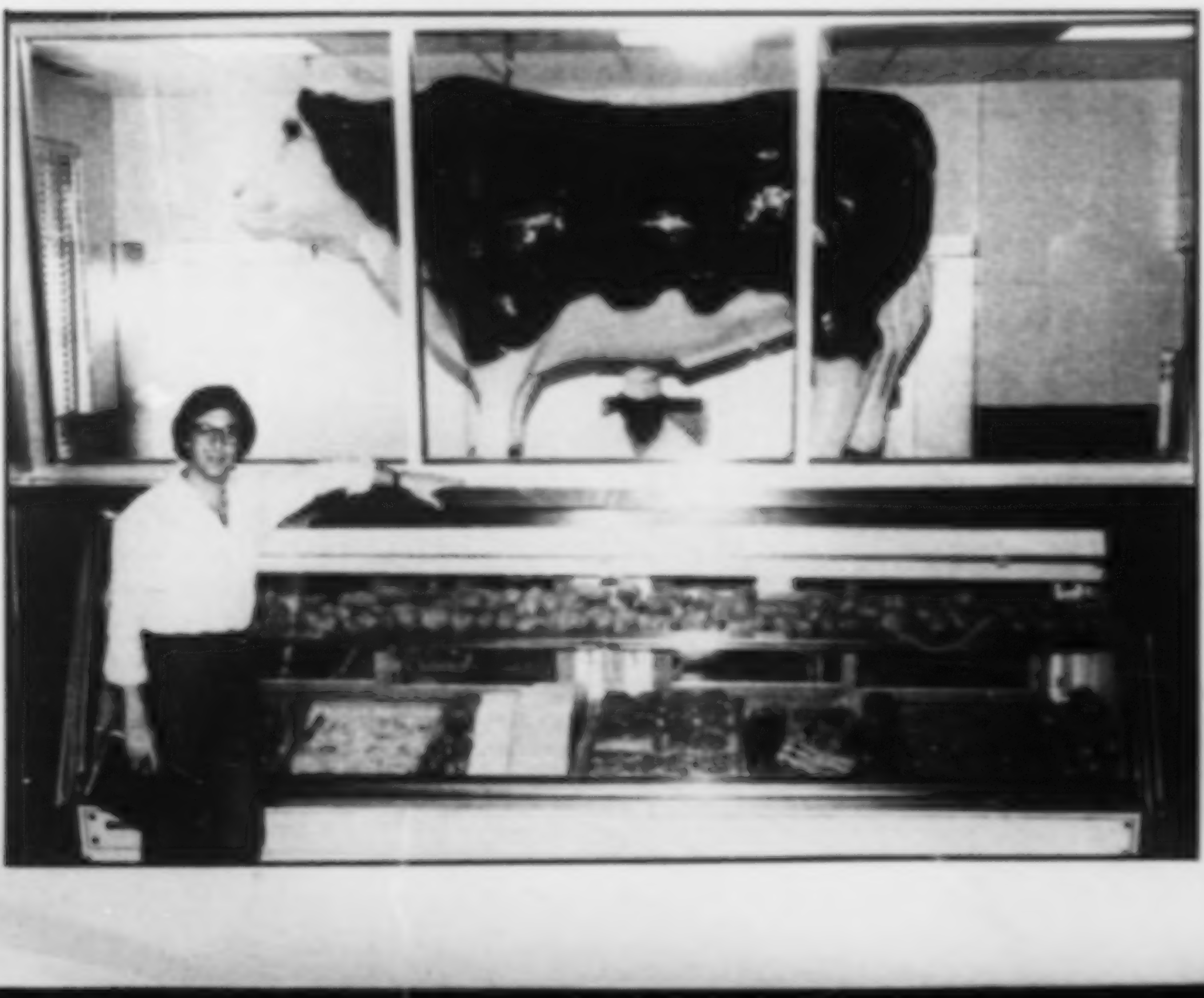
Michael Weinstein and his company, Ark Management, have been catering to an urban, upscale market in New York for the past decade, but have yet to fully reproduce a restaurant exactly. With a dozen operations under his belt—including America, Ernie's, the Saloon and Metropolitan Café—Weinstein says that he has built his predominantly New York West Side restaurant empire more "on instinct than on market study."

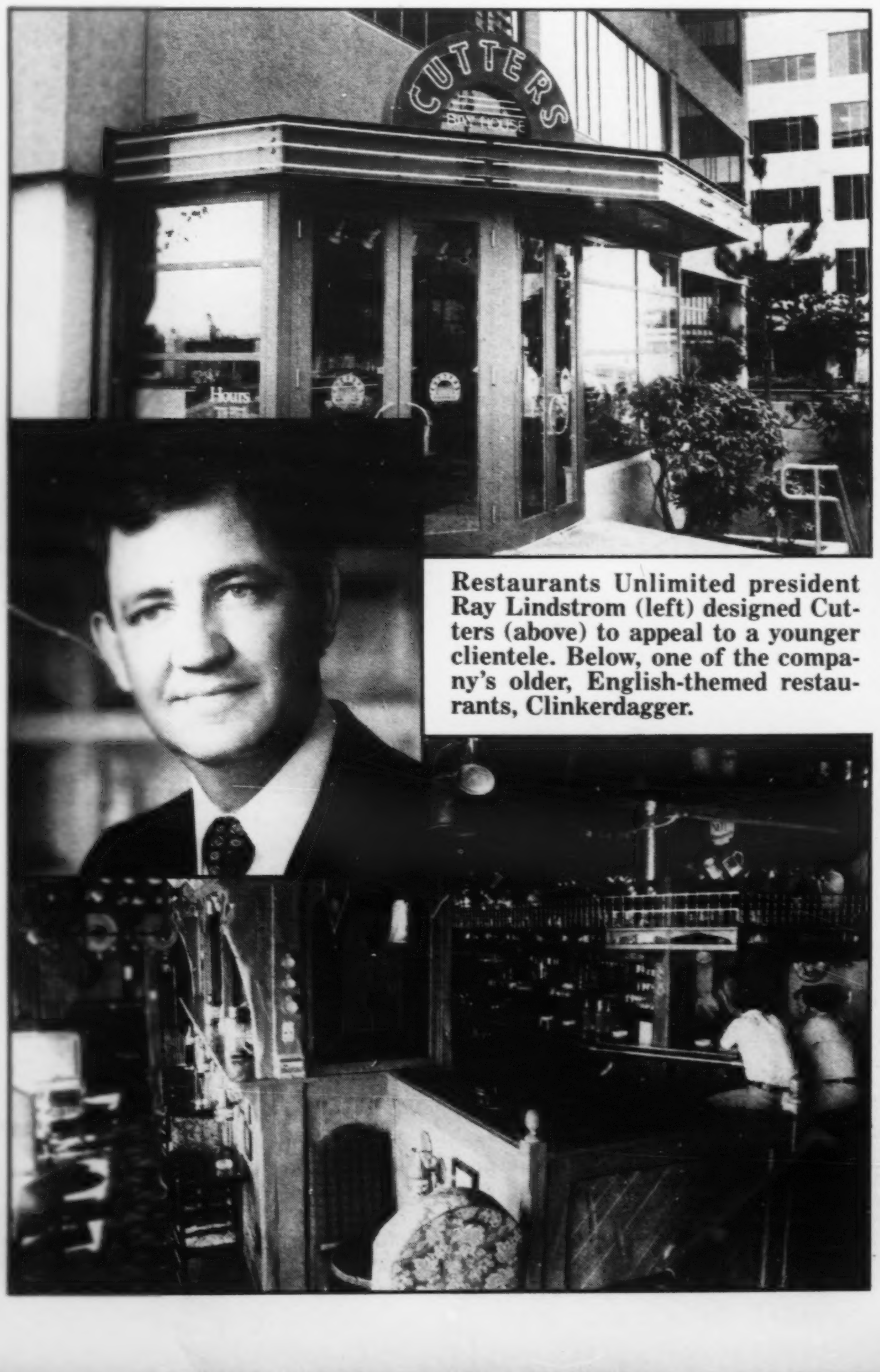
However, the $30 million in sales he expects his operations to generate in 1985 is due chiefly to his ability to perfect a sprawling, café-type restaurant concept that works well when applied to distinctly different themes. Although his newest restaurant, the 350-seat, 10,000-sq.-ft. America, specializes in American regional cuisine, the wherewithal to produce its 200-dish menu for 1,000 customers daily was perfected at Ernie's and the Saloon—

(See *GROUPS*, page F12)



Ed Debevic's is being developed by Big 4 Restaurants with help from Lettuce Entertain You and Collins Foods. Below, Big 4's president, Lee Cohn.





Restaurants Unlimited president Ray Lindstrom (left) designed Cutters (above) to appeal to a younger clientele. Below, one of the company's older, English-themed restaurants, Clinkerdagger.

INDEPENDENT RESTAURANT GROUPS

'Ed Debevic's has the potential to become one of Big 4's chief growth vehicles if it takes off. . . .'

(Continued from page F10)

both 200-plus-seat restaurants featuring equally mammoth Northern Italian and continental menus, respectively.

But while Weinstein points out that "we're not in business to replicate," he is currently negotiating to take Ernie's to Hackensack, N.J.—an experiment that will give him his first restaurant outside of Manhattan. "Going into the suburbs or a smaller city is a major crisis," he says half seriously. "We like to be able to get to our restaurants by jogging or by bicycle."

Not all of the restaurants in Weinstein's stable are "monsters," though. Albuquerque Eats, a 115-seat operation that features a Southwestern menu, may be the prototype for a series of restaurants highlighting interesting city menus. "We could simply take a distillation of all of the menus from the best restaurants in one city," he says.

Weinstein says, however, that expansion plans hinge for the most part on the availability of "interesting sites" rather than on the desire to reproduce any one concept. "Usually we look at companies with good leases and underutilized operations," he says. Once the location has been finalized, only then does Weinstein begin to conceptualize.

Lee Cohn, president of the 20-unit Big 4 Restaurants in Phoenix, also takes a hard look at the location and potential market before deciding what type of restaurant to build. While Big 4's approach is not quite as open-ended at Weinstein's with regard to theme and menu, the company is able to juggle a number of existing concepts for each location—the majority of which are in the Phoenix area.

Ed Debevic's Short Order Deluxe diner—a concept Cohn developed with Lettuce Entertain You's Rich Melman and built with financing from Collins Foods International—has the potential to become one of Big 4's chief growth vehicles if it takes off in its Phoenix and Chicago test markets.

Characterized by Melman as being "a greasy-looking place without the grease," Debevic's is a limited-menu, 50's-style diner serving high-quality, short-order food at moderate prices. Menu items include salisbury steak with mashed potatoes, four types of chili, a fried chicken platter and milk shakes and malts.

But while a third Debevic's has been slated for the Los Angeles area, all principals are taking a wait-and-see attitude concerning the concept's further expansion.

Meanwhile, Cohn is looking to saturate the Phoenix area with a tightly operated group of restaurants. Chief among the $24 million company's concepts are Oscar Taylor, a $4.5 million-a-year steak and ribs restaurant; Ribley's Café, an upscale coffee shop featuring barbecue chicken and ribs, and American Grill, a seafood dinnerhouse. There are also plans to open an Eastern seafood restaurant called Steamer's in Phoenix next year.

Exhibition butchershop and bakery at Oscar Taylor's unit in Arizona, a market Big 4 is looking to saturate.

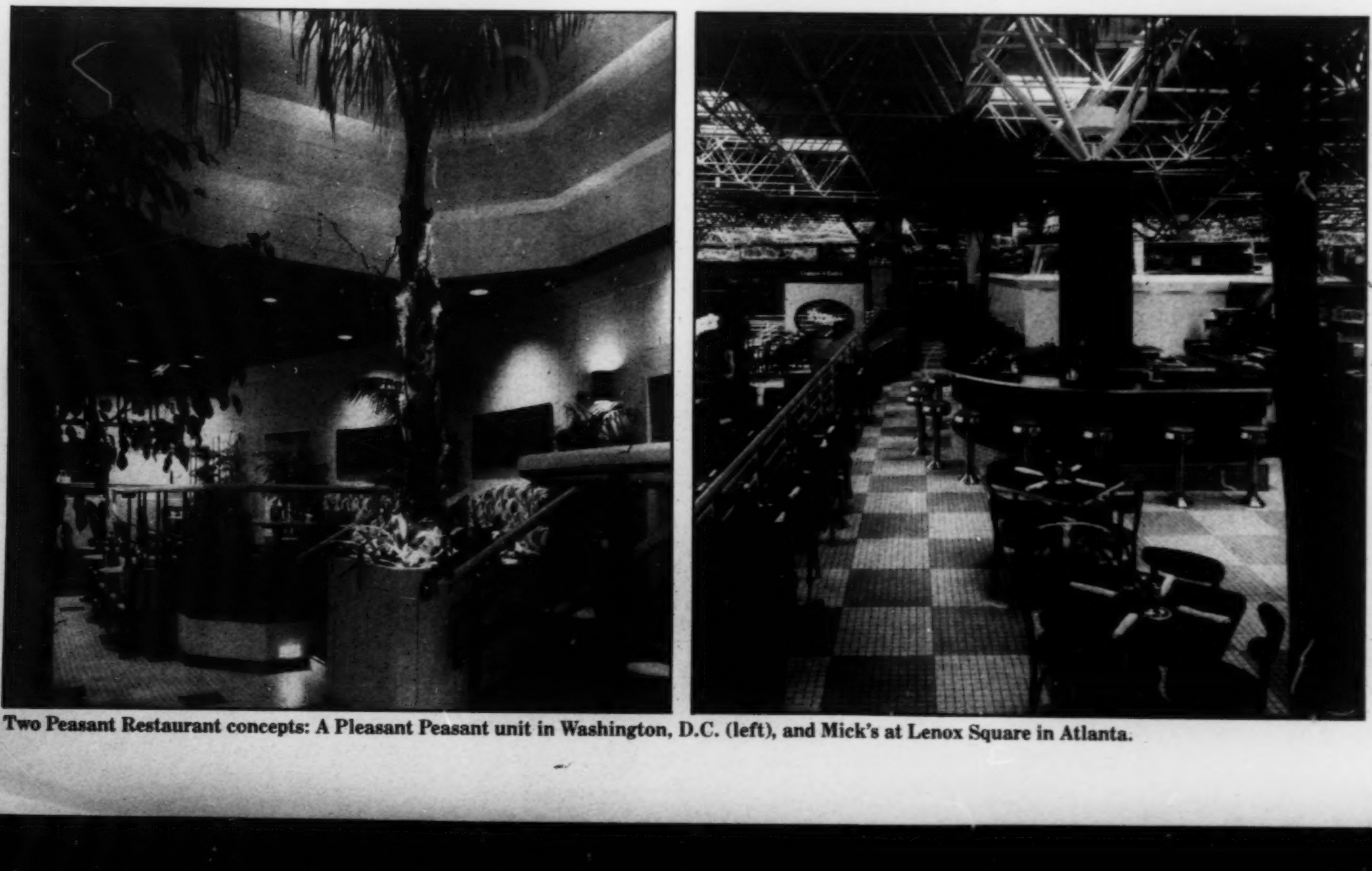
Although Atlanta-based Peasant Restaurants has only three concepts, its eclectic Peasant dinnerhouse operations are modified for each new location—a strategy which de-emphasizes the chain effect. According to president Steve Nygren, the six Peasant restaurants in Atlanta—there is also one operation in Washington, D.C.—range in size from 80 to 300 seats, and while all menus incorporate elements of American and European cuisines, each is, to some degree, different from the next. Portions are generally large and moderately priced.

Names and decor differ from location to location as well. The first Peasant—called the Pleasant Peasant—is housed in a small, brick building in Atlanta, while the Peasant Uptown is positioned in a shopping mall. A third, the Public House, is located in a restored 19th century building.

All seven Peasants are open for lunch and dinner, and attract a fairly broad-based clientele, according to Nygren.

The company's second concept, Mick's, resembles Ed Debevic's in that its decor is patterned after that of a 1950's diner. The menu, however, is strictly trendy, and includes gourmet hamburgers, pasta, pizza, calzones and grilled items. Although there are currently only two Mick's in Atlanta, Nygren says there are plans to build more.

Along with the company's third concept, the Park—a cafeteria-style operation in an Atlanta multiuse complex—the 10 restaurants generated $25 million in sales for 1984. And while Nygren says that the company is still planning further expansion in the Atlanta area, they are looking to move into other southern cities such as Dallas and Houston as well.



Two Peasant Restaurant concepts: A Pleasant Peasant unit in Washington, D.C. (left), and Mick's at Lenox Square in Atlanta.

Pizza chains holding on to their slice of the market

One taste and I'm sure you'll love it too!
Rocky

Above, Rocky Rococo pan-style pizza comes with a variety of toppings. Below, a unit interior. The chain has had high volumes selling slices at lunchtime—about 45% of sales come before 5 p.m.

By Don Jeffrey

Regional and specialty pizza chains, challenged by the majors' moves toward home delivery, menu diversification and the lunchtime trade, have found it necessary to also adopt these strategies for building customer frequency.

Unit expansion among the smaller, second-tier chains, meanwhile, has not been sacrificed. Most chain executives believe pizza markets are not saturated yet and that although there is intense competition and an inevitable shakeout, there is still room to grow.

The trend toward pizzas with unusual, or "gourmet" toppings—begun by independents and now picked up by some chains—has been adopted by some regionals, but with scattered success.

What is more important for the second-tier chains, most of which have built solid bases in particular areas of the country, is responsiveness to local tastes whether they be Canadian bacon and pineapples in Idaho or barbecue in Texas.

Many smaller chains give the majors credit for educating the consumer about new perceptions of pizza, especially in three areas: home delivery, viability as a lunchtime choice, and bigger products with more generous toppings.

Domino's Thomas Monaghan is credited with putting delivery on the pizza map. Once a service offered only in high-demand markets such as college and military communities, delivery is now an important and successful component of many chains.

Pantera's, a Missouri-based, 58-unit chain, has instituted a highly systematic, St. Louis-area delivery concept that, chairman Franklin Allen says, has significantly boosted sales. Moreover, it has helped overcome the inevitable drop in customer counts during the long, cold winter months.

Tulsa-based Ken's Restaurants, which has operated two different sit-down pizza concepts, Ken's and Mazzio's, has now rolled out a third concept, Scooter's, devoted entirely to delivery.

A few chains, though, say delivery doesn't reflect the image they are projecting. Pizzeria Uno, a 24-unit Boston-based chain specializing in Chicago-style pan pizzas, presents an image of a stylish, sit-down restaurant with full service including bar. Executive vice president Stephen Immel says home delivery might "denigrate the concept."

Pizzeria Uno is leading the way among chains on the so-called "gourmet" pizzas—those that feature unusual toppings and crusts. President Aaron Spencer, a successful KFC franchisee, turned his attentions to pizza and developed specialties such as the Sea Delico, which contains crabmeat, shrimp and garlic. Immel says he believes the trend is to move away from the "build-your-own" kind of cheese, pepperoni and mushroom pizza toward the brand-name specialty like the Sea Delico.

Noble Roman's of Bloomington, Ind., has added to its menu a line of specialty brand-name pizzas with Polynesian, Greek and Mexican tastes. Pantera's new deep-pan pizza features imported plum tomatoes on top. Rocky Rococo introduces new toppings and tastes in its Adventures in Pizza line.

*(See **PIZZA**, page F16)*

SLICE OF THE PIE

'All second-tier pizza chains are looking at moderate to ambitious unit expansion this year.'

(Continued from page F15)

The problem for Noble Roman's and other chains following this trend is that consumers in their markets haven't yet caught up with it. Pantera's Allen says its new pan pizza accounts for only about 4%-5% of sales.

Cassano's, a 78-unit Dayton, Ohio, chain, stays away from the upscale pizzas, believing that the demand exists only in large metropolitan areas or among well-traveled professionals. Most chains don't have a large presence in big-city markets. Customers in smaller cities and towns are not accustomed to unusual pizzas, and it may take a massive marketing program that only a Pizza Hut or a Domino's can afford to educate them about these new tastes.

Many second-tier operators credit segment leader Pizza Hut with making the public realize that pizza is an acceptable lunchtime choice. Some chains have responded by rolling out their own individual-sized pizzas. Others have been doing it for years, but are now enjoying the benefits of the majors' marketing drives.

Madison, Wis.-based Rocky Rococo has for years had high volumes selling slices at lunchtime. About 45% of its sales come before 5 p.m. But it, too, sees new opportunities to boost lunch business and is testing a line of four sandwiches baked like pan pizzas.

But for every move toward menu diversification, there's another move to streamline menus. In the past one and a half years, Victor Cassano has removed the pastas, salad bars, full dinners, fish and chips from his menus. He says it makes little sense to try and be master of all trades only to blur your image and confuse your help. His approach is "back to basics."

Cassano's, whose Midwestern markets were particularly hard-hit during the recession, is in a turnaround now. Victor Cassano says unit growth will be in the 40% range this year, and that he'll be looking closely at a food-court unit test in a Dayton mall.

So far major and regional pizza chains have largely left the food courts to the specialists. In pizza, that would be New York-based Sbarro. But if Cassano's can work its concept successfully in the increasingly high-cost food courts, other chains will begin to take a serious look at them. Cassano's is selling slices in the high-traffic mall location.

All second-tier pizza chains are looking at moderate to ambitious unit expansion this year. Noble Roman's, which had been building up its Dayton market, using native son Jonathan Winters as media spokesman, has been given a boost by the purchase of several franchised Godfather's in Dayton and Cincinnati for conversions. Other small chains are also reporting negotiations with or inquiries from disillusioned Godfather's franchisees.

The market-penetration approach to expansion is favored by most chains today because of the high cost and effectiveness of television marketing. Pantera's Allen says he plans to develop an entire city market (which he would not disclose) all at once this year, with a combination of full-service and delivery-only stores and a delivery order-taking center, at a cost of about $2.5 million.

Pizzeria
UNO
UNO

Pizzeria Uno has become the leader among the second-tier pizza chains for experimenting with the "gourmet" toppings.

Pizzeria Uno is staying away from home delivery, preferring to keep the image of a stylish, sit-down restaurant.

A waitress takes a break at the bar in Pizzeria Uno's New York City unit.

Second-tier hotels posting high occupancy rates

Several smaller-sized hotel groups are carving out comfortable niches within their markets by offering alternatives to the cookie-cutter properties of the big national chains.

Most of the second-tier challengers say their occupancy rates exceed 70%, at a time when the industry average hovers around the mid-60's.

They attribute their success to the involvement of company executives in every aspect of operations, right down to the decision-making process at the property level, and keeping a tight rein on expansion.

Few of the second-tier contenders are new to the lodging scene. Red Lion Inns has been in operation for 26 years, Doubletree Inns for 16, Guest Quarters for 14 and Rosewood Hotels for 6.

And though the newest member of the group, Ritz-Carlton, was technically conceived only a year ago, it previously operated for a few years as Monarch Hotels, and is flavored by the long track record of its parent, W. B. Johnson Co.

Yet each maintains that the greater flexibility afforded by their streamlined corporate structure enables them to keep their concepts as fresh as any of the brand new chains presently flooding the lodging market.

"When you stay small, you're in touch with what's going on in the market, and it doesn't take you long to do things. You can respond quickly to changes in your marketplace," says Ted Pritchard, senior vice president of Doubletree Inc.'s subsidiary chain, (Compri) Hotels. Pritchard is a veteran of such large-scale chains as Ramada, Sheraton and Howard Johnson.

Pritchard points out that Doubletree was once a much different company. Its 18 inns competed in the midpriced market, along with chains like Holiday Inns and Ramada.

As it watched the midmarket soften in the early 1980's, Doubletree whittled down its size and repositioned its hotels in the luxury sector. Now it has 11 Doubletree hotels, including convention, resort and all-suite properties.

Last year Doubletree announced that it was moving back into the midmarket with a concept being much talked-about within the loding industry.

(Compri) Hotels is based on focus group findings that the business traveler is disillusioned with the impersonal, cold approach that they believe typifies most midpriced brands. (Compri) is being positioned as an alternative.

The "inclusive" hotels, as Doubletree refers to them, will feature a living room-like common room called the Compri Club. The 4,650-sq.-ft. area will serve as a homey lounge/library/work area for guests who feel isolated sitting alone in their rooms.

The Compri Club will serve as the sole dining area for (Compri) guests. A complimentary cooked-to-order breakfast, prepared on a nearby hot line, will be the only meal offered at the properties.

One of (Compri)'s unusual features is its management structure, which Pritchard admits borrowing from discount carrier People Express. All staff members will wear the same simple uniform of a blue blazer, a white shirt and either beige slacks or skirt. Everyone, says Pritchard, will do everything, floating from function to function as need arises.

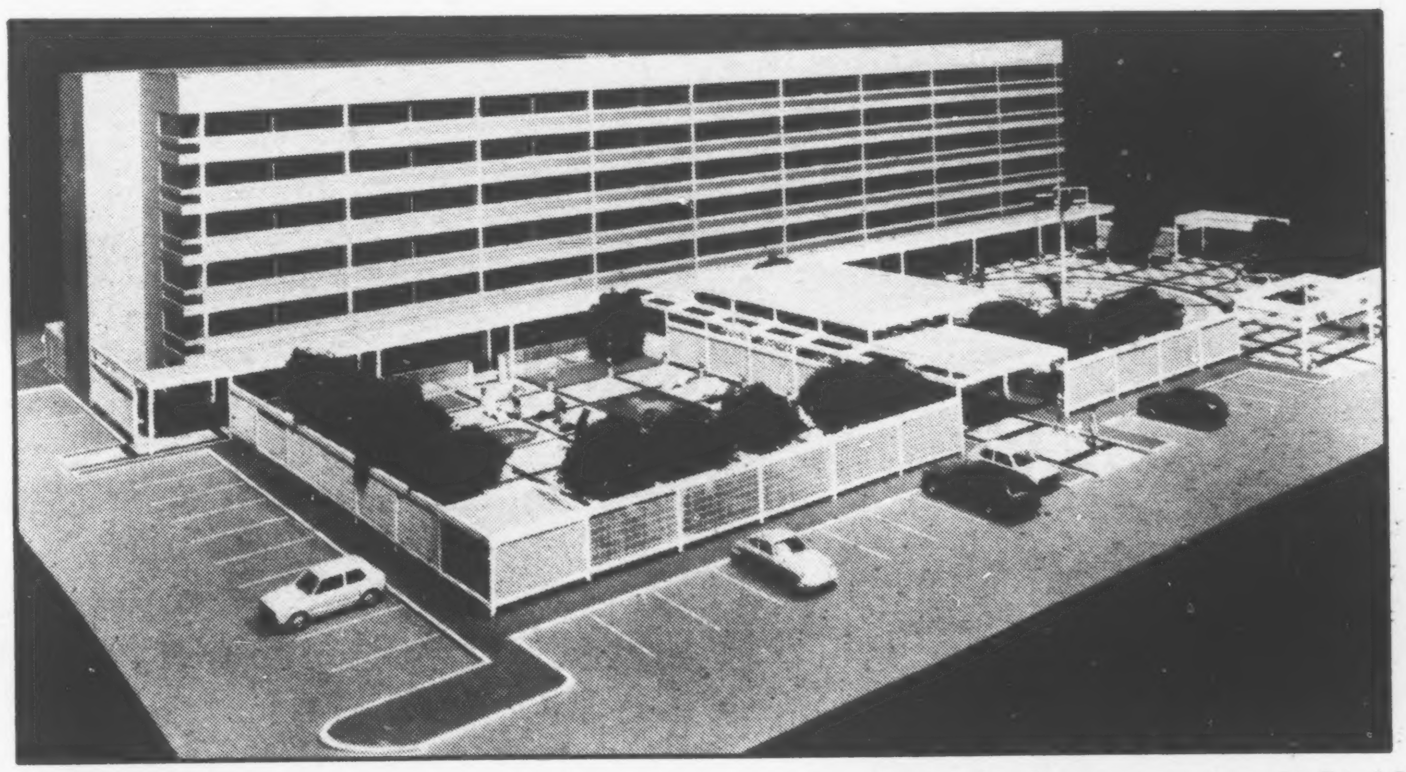
SELECTED HOTEL CHAINS

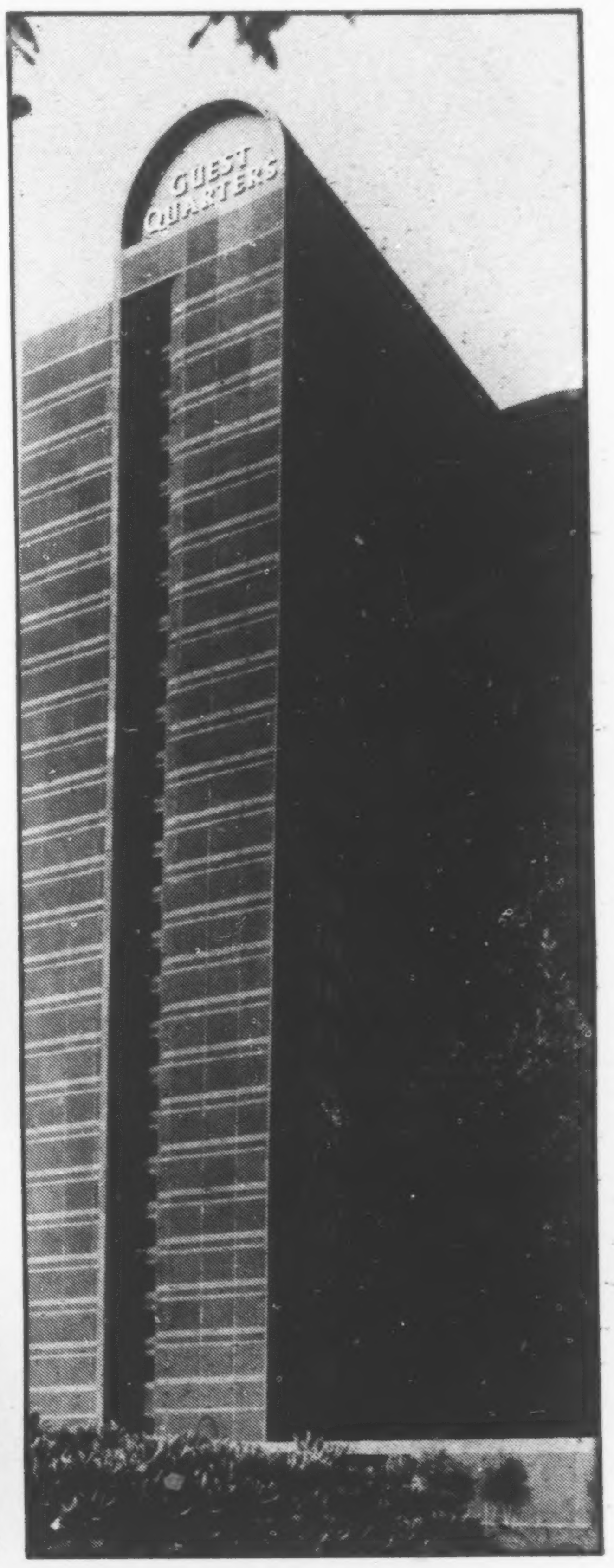
Chain	Systemwide Sales (In Millions) 1984	Systemwide Sales (In Millions) 1985	Market Segment	Geographic Market	No. of Units 1983	No. of Units 1984
Doubletree Inc. Phoenix, Ariz.	$ 90	$120	Luxury (Doubletree) Mid-market (Compri)	National	11	11
Guest Quarters Inc. Washington, D.C.	44	55	Luxury	National	10	9
Red Lion Inns Vancouver, Wash.	250	287*	Upper mid-market	Northwest	52	N/A
Ritz-Carlton Hotel Co. Atlanta, Ga.	N/A	100	Luxury	National	2**	5
Rosewood Hotels Dallas, Tex.	N/A	N/A	Luxury	National	3	4

*Estimate
**Licensees

N/A = Not Available

Source: *NRN* Research





After Doubletree repositioned its hotels to compete in the luxury sector, it decided to re-enter the midpriced segment with a new concept, (Compri) Hotels. Right, Guest Quarters-Galleria West in Houston.

One person will serve as director; all other employees will carry the title of either host or hostess.

The first (Compri) is scheduled to open by the middle of this year. Four more will be added in suburban locations during 1986, says Pritchard.

Once the (Compri) concept has been put to the test, Pritchard expects that several of its features will be stolen by the major hotel chains.

Michael M. Dickens, president of Guest Quarters Inc., can empathize. Guest Quarters was one of the pioneers of the all-suites concept, which has since been borrowed by large chains like Holiday Inn and Marriott as well as a number of small upstart companies.

Yet Dickens believes that Guest Quarters still has an advantage over the all-suite herd because of what he says is its unsual marketing positions: "No other all-suite chain is going after the top end of the market."

Indeed, most all-suite contenders have targeted the midmarket, keeping their room rates within an appropriate range by omitting restaurants and public areas, and hence lowering construction costs.

Guest Quarters, on the other hand, provides "*all* the services of a conventional hotel, including restaurants," says Dickens.

Guest Quarters regards its in-house restaurants as not only a point of differentiation from the all-suite hordes, but "a supplement to our rooms operations, contributing to our cash flow."

"You have to look at a restaurant as a profit center as well as a marketing tool," says Dickens, voicing a sentiment seldom heard in the hotel business.

A heavy emphasis on food and beverage operations is one of the reasons why Red Lion Inns, a 52-unit chain based in Washington, has earned the respect of small and large competitors alike. "Inch for inch, it's the best-run hotel chain in the country," said the chief executive officer of a national chain who asked not to be identified.

Of the $250 million Red Lion generated in sales last year, about 50% came from the chain's F&B operations, according to sources close to the chain.

The vehicles are its Maxi's and Misty's restaurant concepts. The operation of each is closely monitored by chain founders Ed Pietz and Tod McClaskey to maintain the restaurants' reputation of quality within their local markets.

One of the techniques Pietz and McClaskey use is bringing as many functions as possible within the umbrella of Red Lion. All food preparations, for instance, is handled by a subsidiary called M&P Motel and Restaurant Supply Co. at a central commissary. Graphic and design materials are developed by M&P Graphics.

That hands-on attention to detail is one of the factors Rosewood Hotels Inc. believes will set it apart from other contenders at the high end of the hotel market.

"Those are our buzz words, 'attention to detail,'" says president Robert Zimmer, whose past positions include a stint with a West Coast design firm. "We monitor everything, from the type of glasses on the table to the amenities in the room to the way a napkin is folded."

The company, a division of the oil-rich Hunt family's Rosewood Corp., presently operates four luxury hotels, including the lavish Mansion on Turtle Creek in Dallas, the Remington in Houston, and the Hotel Bel-Aire in Los Angeles. Each is positioned as an individual property rather than a member of a group "to appeal to a very discriminating traveler," says Zimmer.

"The bull's-eye in our market level is a perception of value—making it worth spending a few more dollars on," he adds.

The Ritz-Carlton Hotel Co., a five-unit chain based in Atlanta, espouses a similar philosophy. President Colgate Holmes feels the one-year-old chain has an advantage by virtue of its newness and smaller size.

"Because we're new and still small, we can be more consistent in our quality. We're not stuck with a mixed-bag of product the way the larger chains are," he says.

"The executive traveler is seeking a personal experience when he checks into a hotel," Holmes continues. "Our name suggests it, and we deliver."

Ritz-Carlton recently moved into the resorts market, a segment also being eyed by Rosewood, with the opening of a facility in southern California.

Ritz-Carlton plans to develop several more destination properties in the near future, says Holmes.

Some contract feeders content to stay within field's second tier

By Peter Romeo

A rash of acquisitions by contract feeding "giants" has second-tier contenders convinced that their smaller size has never been more of a marketing advantage.

"As the big guys keep getting bigger, the smaller guys are going to do better, too. There's that much more of a need for us, as an alternative to the big national companies," says Jack Galione, president of white-collar employee feeder Corporate Food Service Inc. of New York.

Other second-tier executives agree that the sheer size of the big national feeders, growing ever larger and more bureaucratic through Pac-Man acquisition strategies, is going to drive more accounts into the folds of the regionals.

Second-tier feeders plan to capitalize on that trend by playing up their traditional strengths of greater flexibility, a better understanding of the limited markets they serve and a hands-on management approach.

In addition to Corporate Food Service, the list of second-tier feeders presently includes Creative Gourmet in Boston; Lackmann Foodservice Inc. in Long Island, N.Y.; Seiler Foodservice in Massachusetts; Serv-Rite Corp. in Buffalo, N.Y.; Service Dynamics in New Jersey; In-Plant Foodservice Inc. in Connecticut; Glorious Foods in Washington, D.C.; Southern Cafeteria Co. in Alabama; Hallmark Management Services in Ohio, and Sands & Co. in Atlanta, Ga.

All are regional, privately held and imbued with what they say is an entrepreneurial spirit that sets them apart from the big national feeders.

"Our approach is different in that we don't have any strict corporate rules to adhere to. We can be flexible to meet the specific needs of our clients," says Michael Barclay, vice president of 65-account Southern Cafeteria Co.

Barclay points out that one of the prime reasons for Southern's 25% rise in sales during 1984, to $30 million, is its ability to offer each account its own customized menu—an advantage that every other second-tier feeder laid claim to as well.

"The big natonal companies can't do that. They just don't have that mindset: They're feeding the masses, and we're feeding people," says Stephen Elmont, president of Creative Gourmet.

Similarly, every second-tier company says that it could fine-tune or completely revamp a client's menu in a fraction of the time it would take one of the major contract feeders.

"Things can happen quickly in a small company. There aren't three levels of bureaucracy between operations and headquarters—no red tape that a customer has to cut through to get something done," says Philip Bach, president of Hallmark Management, or what he calls "little Saga."

"Nor is there any buck-passing," says Donald E. Storer, vice president of marketing and corporate development for The Seiler Group, a hospital, educational facility and employee feeder serving the East Coast.

Our customers don't get relayed from office to office, wading through bureaucracy to see where the buck stops."

That advantage is enhanced, says Bach, Storer and their colleagues, by a hands-on management philosophy embraced by most second-tier feeders.

"We're small enough to be in touch with what's going on with our clients on a day-to-day basis. A contract is going to get the attention of everyone, from the chairman and ceo on down the line," says John Darden III, chairman, president and chief executive officer of employee feeder Sands & Co.

And, says Storer, "when a customer is dealing with a contract feeder's top executives, he knows that he's not going to have one management team handling his account one week, and a whole new crew the next."

The second-tier companies believe their hands-on orientation will give them an advantage over the big national companies in tapping into one of the burgeoning areas of contract feeding: smaller-sized business and industrial installations.

SELECTED CONTRACT FEEDING CHAINS

Chain	Systemwide Sales 1983	Systemwide Sales 1984	Type of Operations	Area of Operations 1983-84	No. of Accounts 1983-84
Corporate Food New York	$20.0	$20-22.0	White collar employee feeding	New York City	30
Creative Gourmet Ltd. Massachusetts	9.8	15.0	Corporate catering, public restaurants	Massachusetts	N/A
Hallmark Management Service Ohio	N/A	10.0	College feeding	Ohio, Pa., N.Y.	14
In-Plant Foodservice Connecticut	1.0	1+	Employee feeding	Conn., Western Mass.	12
Lackmann Foodservice New York	14.7	21.0	School, college, employee feeding, and public catering	New York, New Jersey	31
Sands & Co. Georgia	35.0	40.0	Employee feeding	Va., Ga., Fla., N.C., S.C.	N/A
The Seiler Group Massachusetts	150.0	180.0	Health care, school, employee feeding	East Coast	450
Serv-Rite Corp. New York	5.0	6.5	School, employee feeding & public catering	Western New York	20
Service Dynamics New Jersey	8.0	9.0	School, health care, employee feeding	New York, Northern N.J., Southern Conn.	45
Southern Cafeteria Co. Alabama	24.0	30.0	Employee, health care feeding	South, Midwest	65

N/A = Not Available

Source: *NRN* Research

"We're seeing a lot of companies with 500 or 1,000 employees who are bringing in someone to do their feeding," says Richard Sarnoff, vice president of In-Plant Foodservice Inc., which has 12 accounts. "These companies aren't that big, and aren't going to get that big, so they're not going to go with a big contract feeder.

"They're going to go with a local company—someone who's right there to take care of them, and who knows the local marketplace."

The second-tier feeders say they benefit from that knowledge of their local marketplace in two ways.

First, because they are attuned to local eating habits and preferences, the second-tier companies can tailor their fare to a specific community far more effectively than a national feeder, claim the companies' executives.

More importantly, "because we do our purchasing locally, we can do it faster and better than the big guys," says Sarnoff.

By moving quickly to take advantage of seasonal specials and concentrating their purchases in one area, second-tier feeders believe they're able to offset the purchasing might of even the largest national feeders.

"The big companies say they benefit from the economies of scale," says Harlow Kehoe, vice president and general manager of school, hospital and employee feeder Service Dynamics. "But I used to do purchasing for Canteen Corp. I know what they pay, and I know what we pay, and I know we both pay just about the same."

"They can have their national purchasing contracts, but they still have to pay to truck it out from a central commissary."

Most of the second-tier feeders say they don't plan to lose that advantage by expanding out of their regional markets. Nor, for that matter, do they anticipate growing quickly.

"We're not going to grow any faster than our financial base allows," says Darden of Sands & Co., reflecting what he says is an attitude embraced by most contract feeders. "We want to make sure that we're able to do what we promise, and not overextend ourselves."

Despite that conservatism, however, several of the second-tier feeders are looking to expand into new types of operations within their regional markets.

Southern Cafeteria, for instance, recently formed a health-care feeding division. Hallmark also plans to move into the health care market.

Lackmann Foodservice, on the other hand, "is looking to get into the commercial side of the food-service business, possibly as a franchisee of a deli-concept chain," says president Tom Lackmann.

Eatrium
exit
exit
exit
cashier
salads

Lackmann Foodservice's Eatrium at Nassau Community College in New York. Inset: Tom Lackmann.

Chicken chains diversify menus, add breakfast

By Don Jeffrey

Taking cues from the burger chains that have hurt them by adding menu items like chicken nuggets, the smaller chicken chains are fighting back with their own menu diversification and moves into the expanding breakfast trade.

Whether rolling out nuggets as a defensive measure or adding steak, fish or cinnamon rolls for variety, the smaller or regional chicken chains are trying to bring back customers lost when McDonald's, Wendy's and others made their pitches for the chicken customer.

Unit expansion among the smaller chains in the segment, meanwhile, is more conservative this year. Some are slowing growth in order to catch their breath, especially after seeing some highly visible chains struggle with overambitious expansion.

Some observers see a continuation of the recent-years' trend of large foodservice companies buying small chicken chains, such as Grandy's by Saga, Bojangles' by Horn & Hardart and Ron's Krispy by Church's.

Despite some struggles, chicken-chain operators are convinced of the growth potential of chicken. They are encouraged by demographic trends such as more women in the workplace, an aging population, and a move away from red meat and toward poultry.

Chain operators say their greatest challenge is to effectively market their menus in order to capitalize on these trends.

The growing interest in health and fitness has led many chicken chains to re-examine their mostly fried products and, in some cases, to offer alternatives to the public. Mrs. Winners, a 184-unit Nashville-based chain, is testing a baked chicken breast filet, coated with margarine, and served with green beans. Company president M. V. Hussung Jr. says this offering is being positioned as a "healthful" item.

Texas-based, 50-unit Tinsley's Chicken and Rolls is testing a rotissarie-roasted chicken in response to consumers' requests for a nonfried product.

Other chains, such as Baltimore-based Chicken George and Los Angeles-based Pioneer Take Out, are not offering alternatives to frying but are pursuing marketing strategies that emphasize the freshness of their products.

But many executives believe that fried chicken will remain popular, despite current trends. Chick-Fil-A's marketing vice president Steve Robinson reports: "We know there's a market for broiled or baked. We get a little interest but very little." Atlanta-based Chick-Fil-A does promote the fact that its chicken is fried under pressure in low-cholesterol peanut oil.

In other attempts to give customers more choices, chicken chains are increasingly offering a variety of nonchicken items.

Chicken George, which already offers mild and spicy varieties of chicken, has now introduced a fish entree and a peach cobbler dessert. It is testing pepper steak.

Chick-Fil-A is rolling out a more "upscale" french fry than the usual shoestring type: a waffle potato fry priced 5¢ to 10¢ higher.

Mrs. Winner's has a winner in its cinnamon swirl pastry and is testing a new combination dinner of country fried steak and chicken filet. Golden Fried Chicken, a 118-unit Austin, Tex.-based chain, has introduced a freshly baked chocolate chip cookie.

Several of the menu introductions are chicken products, responses to what other chains have done. Mrs. Winner's is coming out with its own nuggets item, a "defensive" move, Hussung says, to combat erosion of some lunch sales by other chains' roll-outs.

Golden Fried is planning to roll out a finger-food item called Golden Tenders, somewhat like nuggets but consisting of breast portions. And, Pioneer has a new spicy chicken.

Several recent introductions have been designed to capture the breakfast trade. But some operators are wary because of the now-intense competition for a relatively small customer base in that daypart.

Mrs. Winner's, looking for a confection item at breakfast, rolled out its Super Cinnamon Swirl and then, to its surprise, saw it prove popular up through lunch and wind up accounting for 5% of total sales. To make further breakfast gains, Mrs. Winner's took its regular breakfast platter of eggs and extras, doubled the portions and price, and saw it help boost breakfast business to about 35% of total sales. The breakfasts are biscuit-based, as is Bojangles'. Pioneer is also testing a biscuit-based breakfast.

Its successful development of the breakfast daypart notwithstanding, Mrs. Winner's suffered shrinking profit margins last year, mostly due to too-rapid growth that stretched resources.

Mrs. Winner's and some other chicken chains have made more moderate growth projections this year. They have seen larger chains such as Bojangles', Popeye's and Church's experience problems breaking into new markets or being forced to shut down unprofitable stores.

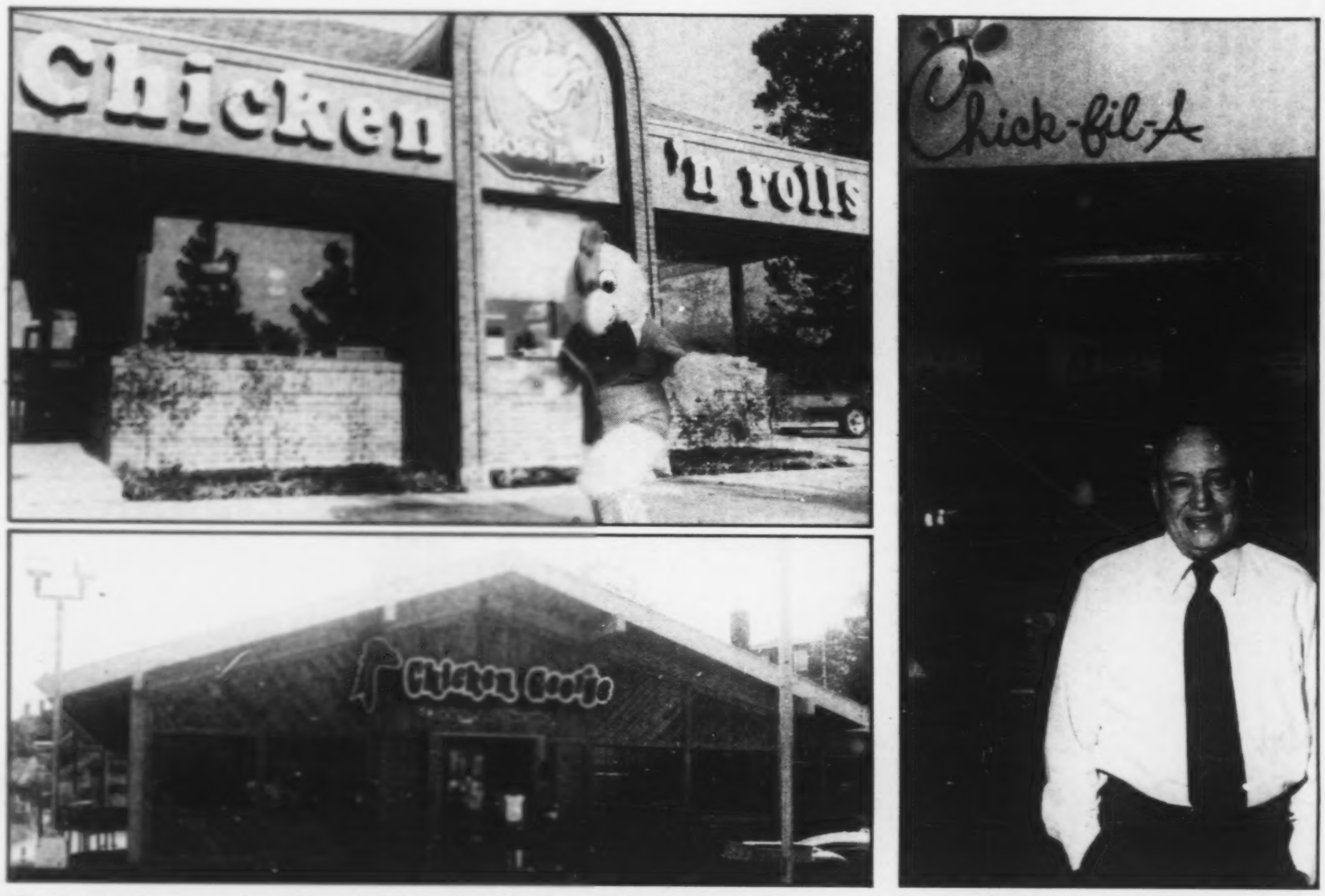
Like other media-astute chains, Winner's plans to expand only by penetrating its existing markets more thoroughly to gain advertising clout. It plans to add about 42 stores.

Chick-Fil-A, the second-tier leader at 307 units and 1984 sales of $153 million, plans about 9%-10% unit growth financed "with internal assets," Robinson said. The premier mall chain, Chick-Fil-A expects to test two freestanding concepts this year, one a 24-hour store.

Chicken George's Theodore Holmes said he was limiting franchising. "We're fairly new at it," said the founder of the four-year-old chain. "We want a breather." He plans to add about 13 total stores to his base of 20 this year. Two units will go into the sprawling Chicago market, he said.

Tinsley's, now at 50 units, plans about 25% unit growth but not outside its home state.

Last year's best unit growth rate—more than 100%—was by Golden Fried Chicken of Austin. That was due to the acquisition of about 70 Holley Farms chicken stores in North and South Carolina. President Steven Neeley said the company planned to use acquisition again as a means of expansion. The chain expects to add about 60-70 units through normal expansion efforts this year.



Clockwise from top left: Tinsley's Chicken 'n Rolls (that's mascot Boss Bird in front) is testing rotissary-roasted chicken; Chick-Fil-A president S. Truett Cathy; Chicken George, which has increased its nonchicken offerings.

SELECTED CHICKEN CHAINS

Chain	Systemwide Sales (In Millions)		Average Same Store Sales (In Thousands)		Average Per Person Checks		Number of Units		Menu Price Hikes	
	1983	1984	1983	1984	1983	1984	1983	1984	1983	1984
Tinsley's Chicken & Rolls Huntsville, Tex.	N/A	N/A	N/A	N/A	$4.00	$4.00	45	50	0%	0%
Golden Fried Chicken Austin, Tex.	N/A	$ 27.0	$ 340	$365	3.50	3.50	54	118	N/A	0.0
Pioneer Take Out Los Angeles, Calif.	$ 92.0	103.0	N/A	N/A	N/A	N/A	N/A	294	N/A	N/A
Chicken George Baltimore, Md.	8.0	10.0	1,200	985	3.50	3.55	14	20	10	5
Chick-Fil-A Atlanta, Ga.	134.0	153.0	510	525	2.36	2.55	280	305	0	6
Mrs. Winners Nashville, Tenn.	50.9	67.3	658	695	2.95	3.00	120	184	6	5

N/A = Not Available

Source: *NRN* Research

Casual-themers gain ground with specialized concepts

Elaborately costumed employees of Bobby McGee's add to the atmosphere.

'A strong active bar business backed by electic, trendy menus are the driving force behind such chains.'

With the success of conglomerate-owned casual-theme restaurants like S&A Restaurant Corp.'s Bennigan's (Pillsbury) and Gilbert/Robinson's Houlihan's (W. R. Grace), smaller operators have jumped into the field hoping to grab a piece of the potentially lucrative market created by the aging of the so-called baby-boom generation.

A strong, active bar business backed by eclectic, trendy menus targeted toward an upwardly mobile 21- to 35-year-old customer base are the driving forces behind such chains as Columbus, Ohio-based Max & Erma's, Phoenix-based Bobby McGee's, New York City-based Tallulah's American Cafe (owned by Beefsteak Charlie's), Dallas-based Chili's and Altanta-based Houston's.

While the 11-unit Max & Erma's has struggled in recent years, recording a net loss of $761,000 in fiscal 1984, moves are under way to restore the full-service dinnerhouse chain to profitability. Hurt by poor site selection in the past, the company has targeted high-traffic locations for future development and shut down four nonproductive units in Toledo, Ohio; Cincinnati; Louisville, and Kansas City, Mo.

Max & Erma's has also hired a new marketing director, Karen Brennan, to help reposition the chain toward busy suburban locations, especially near shopping malls. Newer stores—which are being scaled down from 8,000 sq. ft. and 160 seats to between 5,000 and 6,000 sq. ft. with seating for some 130 customers—are averaging better than $1.5 million in annual volumes, according to Max & Erma's president Todd Barnum.

"We're very much into suburban stripes, like everyone else," Barnum said, acknowledging that poor site selection decisions over the last five years have severely hurt the company. Onely two units remain in urban market, in Pittsburgh and Columbus, with the remainder of stores in Farmington Hills, Mich., and the Indianapolis, Dayton, Ohio, and Lexington, Ky., markets.

With an average per-person check of about $7.50 and a bar business that accounts for some 33%-35% of sales, Max & Erma's has also begun a menu expansion program to help ward off strong competition from better-known chains like Bennigan's and Houlihan's.

Raw seafood and pasta bars have been rolled out in newer stores, while older units are being retrofitted to accommodate these products. To further boost a menu dominated by 10-oz. "gourmet" hamburgers—which continue to account for up to 45% of the sales mix in some stores—Max & Erma's has recently added such items as stir-fried shrimp and scallops, seafood salad, salad niçoise, sauteed tortellini stuffed with cheese, beef and prosciutto, a spicy vegetable Quesadilla and nachos.

While Max & Erma's has opted for a broader menu, the 16-unit Bobby McGee's is following an opposite track. The West Coast-based chain is currently testing an abbreviated dinner menu at one of its highest-grossing restaurants in Burbank, Calif. Seeking a more manageable mix, the company has slashed more than a dozen items—out of about 30—eliminating all offerings that account for less than 1.5% of sales.

"We've come to the conclusion that we can't be all things to all people," said Bobby McGee's executive vice president and chief operating officer John L. Schwimmer. He said the scaled-back dinner menu could be a key to the company's future growth.

Bobby McGee's, with restaurants in Arizona, California, Colorado, Hawaii and Texas, features a dinnerhouse/disco-lounge format highlighted with a variety of artifact-and-antique-strewn themed dining areas and elaborately costumed servers.

Average annual store volumes currently run about $2.8 million chainwide with newer units (principally in California) producing yearly sales of over $3 million. The company recorded total sales of nearly $45 million in 1984.

Traditionally dinner oriented, the 13-year-old Bobby McGee's has begun testing a separate luncheon menu featuring 11 core items—ranging in price from $4.95 to $8.95—and three off-the-menu daily specials. Offerings include such salads as Cobb, seafood or Sombrero plus a steak sandwich and bacon cheeseburger. The average per-person lunch check is about $7.

But dinner, and a disco-lounge trade which accounts for some 45% of total sales, remain Bobby McGee's driving force. With an average per-person dinner check of about $12.50, offerings include standard items like prime rib, steak, crab and lobster, plus two fresh fish specials and one other nightly special such as filet steak Dijon or chicken Newport.

Hoping to boost average annual unit sales to nearly $4 million with its new scaled-down menu, Bobby McGee's is emphasizing northern California as its principle expansion territory, although two more units are slated for the Los Angeles market, one for Scottsdale, Ariz., and possibly one more in Hawaii and one in Alaska.

Among the most successful small chains in the casual dinnerhouse field is 12-unit Houston's, founded some 10 years ago by former Steak & Ale executives George Beall and Vic Branstetter.

A privately held company, Houston's has provided strong regional competition for the larger casual-theme operations like Bennigan's, Houlihan's and T.G.I. Friday's. Houston's average annual unit volumes far exceed $3 million.

Featuring an average check ranging from $7.95 to $15 depending on location and a menu built around house specialties like barbecued ribs, a club sandwich served with mustard-honey dressing and Tortilla Flats (a variation on nachos), the company presently operates outlets in Atlanta (two), Nashville, New Orleans, Houston (two), Dallas, Washington, D.C., Memphis, Fort Lauderdale, Fla., Kansas City, Kan., and Rockville, Md.

With some stores purportedly raking in annual volumes of up to $5 million, Houston's are situated in suburban locations mostly in shopping malls (except in Washington, D.C., where the unit is in Georgetown). Each restaurant is specifically tailored to its marketplace in design, eschewing the cookie-cutter approach employed by most competitors.

New on the casual-theme scene is Tallulah's American Cafe, an attempt by ailing Beefsteak Charlie's to reverse mounting losses and modernize its image.

With 1984 losses of more than $2 million, the 64-unit, New York City-based Beefsteak Charlie's is attempting to reposition its restaurants to meet current demographic and dining trends. Tallulah's, with 11 units in operation, is one of three concepts currently being tried. (The other two are Daly's Dandelion, a "gourmet" hamburger operation, and Nathan's Detroit, featuring barbecued ribs.)

Tailored primarily toward suburban locations—like most chains in the casual theme market—Tallulah's features an eclectic menu anchored by steaks, individual pizzas, several pasta selections, barbecued ribs, chicken, burgers and sandwiches. The restaurants also offer an array of finger foods including mozzarella sticks, nachos and Buffalo-style chicken wings. Average per-per-son checks run about $8.

All Beefsteak Charlie's conversions, Tallulah's units feature separate 50-seat lounge areas, with the bar accounting for some 25% of the sales mix. The upscale decor includes original life-sized "pop-art" sculptures and paintings by contemporary American artists.

Current Tallulah's locations include Staten Island, N.Y. (a borough of New York City), Smithhaven and Merrick, N.Y. (on Long Island), Colonie, N.Y. (near Albany), Palmetto, North Miami and Fort Meyers, Fla., Framingham, Mass., and Danbury, Conn.

Max & Erma's
MAX & ERMAS CA
1004

Max & Erma's will target high traffic locations for development.

FOCUS | NRN

Ethnic dinnerhouses broadening their market base

***NRN* Special Report**

Second-tier ethnic dinnerhouses are survivors.

Most of the chains that remain prosperous today weathered setbacks in the 1970's and are now off on new growth paths with a varied mix of proven concepts or bold new ventures.

For instance, Rocky Aoki's Benihana operation is making a daring move into frozen foods. Houston-based Monterey House has found a new profit center in wholesaling.

Pizza Hut founder Frank Carney is erecting a dream palace called the China Rose, which recreates a Hong Kong street scene like a miniature amusement park.

Texas-based Mexican dinnerhouse chains, such as Ninfa's, Pancho's and El Chico, are tightening their grip on the regional market.

And the Old Spaghetti Factory in the Italian segment may return to its basics after a test of fresh-made pasta.

Aoki is using his nationally recognized Benihana Japanese steakhouse chain as a springboard into 10-minute frozen dinners sold in supermarkets. Already, Benihana frozen entrees have claimed a 30% share of oriental entree sales in New York and Los Angeles supermarkets.

"It's a natural thing to do with the Benihana name," said Joel Schwartz, president of Benihana National in Miami, which was spun off from Aoki's other holdings to finance the venture.

Supermarket sales could pull in half of Benihana National's revenue this year, Schwartz said.

Aoki bundled 15 Benihanas last year into Benihana National to fund the supermarket push, while retaining 60% of the publicly traded company's stock. Aoki kept private Benihana of Tokyo, which runs 21 Benihanas and collects franchise royalties from nine others.

Meanwhile the 45-restaurant Benihana system expects more moderate growth. A combination retail fish market and Japanese restaurant is due to open in August in Miami and Benihana National's 16th steakhouse is due in a Chicago suburb in March, Schwartz said.

Carney, now also a driving force behind Flakey Jake's, is fine-tuning the first China Rose.

Recently Customs House Restaurants founder Edward Engoron, president of the budding China Rose Inc., named David M. Hoof as senior vice president of operations.

Hoof would appear to have the right credentials for the China Rose concept. He is a 15-year veteran of the Disney organization, where he held various posts including food administration manager for the Tokyo Disneyland and food administration training manager at Walt Disney World.

Benihana, a Japanese steakhouse, has spun off a line of frozen dinners.

SELECTED ETHNIC DINNERHOUSE CHAINS

Chain	Concept	Number of Units
Benihana Miami	Japanese	45
China Rose Dallas	Chinese	2
El Chico Dallas	Mexican	92
Monterey House Houston	Mexican	75
Old Spaghetti Factory Portland, Ore.	Italian	20
Pancho's Mexican Buffet Fort Worth, Tex.	Mexican	34

Source: *NRN* Research

"A street market for eating and drinking" is the line executives use to describe the China Rose's Hong Kong theme.

The 16,000-sq.-ft. full-service facility seats 600 in an ambience that shudders and shakes with mock monsoons complete with thunder and lightning. There's dancing in the Dragon's Lair lounge and a game center.

Founded in 1982 by Carney and Engoron, the first opened in Arlington, Tex., a second is due at a Dallas shopping mall and, a spokesman adds, "there will be more."

Ever since the founding Cuellar family bought their El Chico family-priced Mexican dinnerhouse chain back from Anheuser-Busch in 1982, the born-again company has been pouring funds into updating and remodeling the chain.

The Dallas-based El Chico has carved out a niche in Texas as a relatively low-volume operator that larger El Torito and Chi-Chi's have been unable, or unwilling, to challenge.

At the end of the company's second fiscal quarter in November, El Chico posted quarterly earnings of $877,000, an 11% year-to-year gain, on revenue of $20.3 million, a 19% advance. There were 92 restaurants open, 76 of them company-owned, compared with the year before when there were 89 restaurants, 78 of them company-owned.

> *'Most of the chains that remain are on new growth paths with a varied mix of proven concepts or new ventures.'*

El Chico's newest concepts target alcoholic beverage sales under the banners of Casa Rosa and Cactus.

Houston-based Monterey House, a 75-restaurant Mexican dinnerhouse chain which faces slowed new unit expansion and underused capacity in its tortilla and tamale factories, has moved into the wholesaling business.

Sales to institutions and contract feeders in 25 states now account for only 8% of the company's $50-million-a-year revenue, but, said chairman David Garza: "Our food-service division has been extremely helpful in laying the groundwork for our new franchising program."

The 27-year-old company built its first commissary in 1961, but expansion of its two facilities in the late 1970's and early 1980's came just as restaurant growth began to slow.

Now only about 30% of Monterey House's production of beef, bean and chicken fillings and sauces goes to its restaurants, which typically gross about $700,000 annually from 160 seats.

Ninfa's Inc., a Houston-based chain of 11 Mexican dinnerhouses, plans to begin franchising this year, but with a twist.

Franchisees would be, in effect, simply investors, while Ninfa's management would run the restaurants.

"Ninfa's would operate the restaurants, as some Hilton Hotels are operated by Hilton even though they're owned by others," said real estate vice president Tom Laurenzo, son of founder Ninfa Laurenzo.

The company is scouting franchise sites in San Antonio, Tex., and Washington, D.C. Four or five of the six units planned through 1987 would be franchises.

The 16-year-old, 16-restaurant Old Spaghetti Factory chain, which covets locations in city warehouse districts across the nation, is testing fresh-made pasta, but founder Gus Dussin doesn't seem crazy about the idea.

"I'm not convinced it adds to a better product," said Dussin, head of the Portland, Ore.-based chain, "I question the trend that has glorified homemade pasta."

Not only that, but it adds one percentage point to food costs, he noted, in the four units where it is being tried.

Customer reaction to the switch back to store-bought noodles will be monitored closely. "If they want [fresh pasta] back, you can bet we will."

Meanwhile, the Old Spaghetti Factory has three additional restaurants open in Japan and one in West Germany. Forty-seven more are due in Japan by 1990, Dussin said, "and that's not smoke."

Pancho's Mexican Buffet Inc. of Fort Worth, Tex., is going back to the financial markets, planning to issue 800,000 additional shares of stock.

For now, Pancho's is keeping growth close to home. "We feel we still have plenty of room to grow in our existing four-state market area before reaching saturation," president Hollis Taylor told stockholders recently.

Regional fast-feeders find different formulas

By Mark Schoifet

When smaller fast-food chains compete against McDonald's and other industry giants, there is no set formula for success.

Some second-tier chains strive for simplicity, while others believe a varied and flexible menu is the key to higher traffic. Some companies favor well-paced expansion; others are wary of stretching too far beyond their established markets.

Sometimes, what was once a successful strategy can take a turn for the worse. Both Naugles and G. D. Ritzy's, two once-promising chains featured in last year's special report on second-tier chains, are now performing poorly.

Naugles, Harold Butler's Mexican-American chain, has been hurt by an unsuccessful foray into franchising. The chain posted a net loss of $232,000 in the quarter ended Jan. 10, compared with a $748,000 profit in the year-earlier period.

G. D. Ritzy's, which specializes in cooked-to-order burgers and premium ice cream, has been hurt by overexpansion and its image as primarily an ice cream parlor. Ritzy's stock plummeted from about $9 to $1.75 as the chain lost $1.6 million on revenues of $10.6 million in the first nine months of 1984.

For three successful sandwich chains—Schlotzsky's, Blimpie's and Subway—simplicity is the byword.

"At Schlotzsky's, we feel our strength is in our simplicity," said Bill Keese, vice president for franchise sales at the 175-unit Austin, Tex.-based chain. "That goes across all menu lines—menu, operations, every facet of Schlotzsky's."

Schlotzsky's offers 4-, 6- and 8-in. sandwiches that combine three meats, three cheeses, lettuce, tomatoes, black olives and seasoning on a fresh-baked sourdough bun. In addition, a turkey breast sandwich was rolled out last year, and roast beef is available to franchisees as an optional item. Franchisees also have the option of putting in a soup and salad bar.

Systemwide sales for the current fiscal year are expected to top $40 million, with average same-store sales up 12% to $225,000. After a three-year freeze, Schlotzsky's is now poised for national expansion.

When Austin businessman John C. Wooley purchased Schlotzsky's in 1981, he said the internal management needed restructuring before the chain could embark on a successful franchising program.

"You can lose your credibility if you expand too fast," Keese said. "We're glad we waited."

During the freeze, the company revamped its signage, improved its training programs, expanded its manuals for franchisees, beefed up management and tested new menu items, Keese said. Schlotzsky's goal is 350 units by the end of 1987.

Blimpie's, once perceived as a New York-area chain, now has about half of its 215 units outside of that area, including stores in Atlanta, Houston and Boise, Idaho. In fact, one Blimpie's in Atlanta is grossing in excess of $8,000 a week, according to Chuck Leaness, vice president of franchise development and real estate manager.

Leaness said that he, too, believes simplicity enables Blimpie's to compete successfully: The chain has maintained virtually the same menu for years. Recent additions include chili (1983) and the "Bigger Bite" submarine, which contains about 50% more meat and cheese. The "Bigger Bite," introduced last year, sells for $2.70, Leaness said.

"I think the success of Blimpie's is the simplicity of operation," Leaness said.

He noted that in many cases, Blimpie's are located adjacent to the burger giants.

"Nobody is going to eat a hamburger every day," he said. "We don't mind being next to the big guys. We think we're the best at what we do."

Blimpie's posted systemwide sales of $60 million in 1984, up from $55 million in 1983. Average unit sales hit $300,000, up 7%. Average check price is $3.35.

Another profitable sub chain takes a different approach than Blimpie's. Subway of New Milford, Conn., has twice as many units (416) and about half the average unit sales ($156,000). The $70 million chain prefers the low start-up costs and the ease of operations. Typically, the units are small enough to be operated by one employee.

Subway specializes in 18-ft.-long submarine sandwiches. It is in the process of a new bread-baking program and a rollout of a chocolate chip cookie.

Frederick DeLuca, vice president and general manager, said Subway would have a net gain of 175 units this year. He said he is not worried about expanding too fast.

"If we weren't in a position to handle it, we wouldn't do it," DeLuca said.

Subway recorded systemwide sales of $71 million in 1984, a 58% increase. Unit sales increased to $156,000 from $150,000. Net income for 1984 was $1.5 million; projected net profit for 1985 is $2.3 million, DeLuca said.

Skipper's, a 173-unit fast-seafood chain based in Bellevue, Wash., is concerned about retaining its market niche, especially in Denver and California, where it faces stiff competition from segment leaders Long John Silver's and Captain D's. The chain attributes its success—a $2.02 million net profit in 1983, up 93%—to product, service, staff morale and a carefully honed niche.

"One of the things you have to be careful about in our business is retaining your market niche," said Chris Lesourd, Skipper's executive vice president. "We are a fast-food restaurant. We may be a bit more upscale than some others, but we are fast food.

"You've got to be careful of expanding to the point where it's impossible to be fast food," he added. "We're very sensitive to that."

Skipper's was one of the first chains, if not the first, to introduce bite-size salmon bit pieces that are breaded and fried. The new product sells for $2.99 or $3.49 and is currently being ordered by about 5% of Skipper's customers.

"We think it's a product that's going to develop a real following," Lesourd said.

Systemwide sales at Skipper's rose 26% to $73.8 million in 1984, with unit sales jumping from $420,000 to $460,000. Average check price is $3.61.

One chain that favors an extensive menu rather than a simple one is Druther's, a 161-unit fast feeder based in Louisville. Druthers, formerly known as Burger Queen, has been moving away from burgers toward menu variety. Salad bars and breakfasts have overtaken burgers in the overall menu mix. New product introductions in the past few years have included a larger burger, breakfast biscuit sandwiches and an ice cream item. In test now is a boneless pork chop that the company hopes will have appeal at both breakfast and dinner.

Druthers' president and chief executive Thomas Hensley said that the menu variety helps prevent "menu fatigue." They can visit us several times a week and not have the same product," he said.

Druthers has also capitalized on its expertise in penetrating small-town markets and its relatively low preopening costs, Hensley said.

"We have 22 years of experience in small-town markets and we have some experience in properly evaluating what small towns have a good market," Hensely said.

Druthers posted systemwide sales of $100 million in 1984, compared with $94 million for the previous year. Average unit sales increased from $573,000 to $630,000. Average check price is $2.40.

Location and a unique product are two keys to success for Stuff Yer Face, a seven-unit chain specializing in a closed pizza-dough sandwich known as a stromboli. Because of the stromboli's appeal to college students, the New Brunswick, N.J.-based chain favors urban or suburban sites near a university. It has units in New Brunswick (Rutgers University), South Orange (Seton Hall), Washington, D.C. (Georgetown), Newark, Del. (University of Delaware) and Long Branch, N.J. (Monmouth College).

Stuff Yer Face also plans to build two more of its saloon-style restaurants in College Park and Towson, Md., two more college towns.

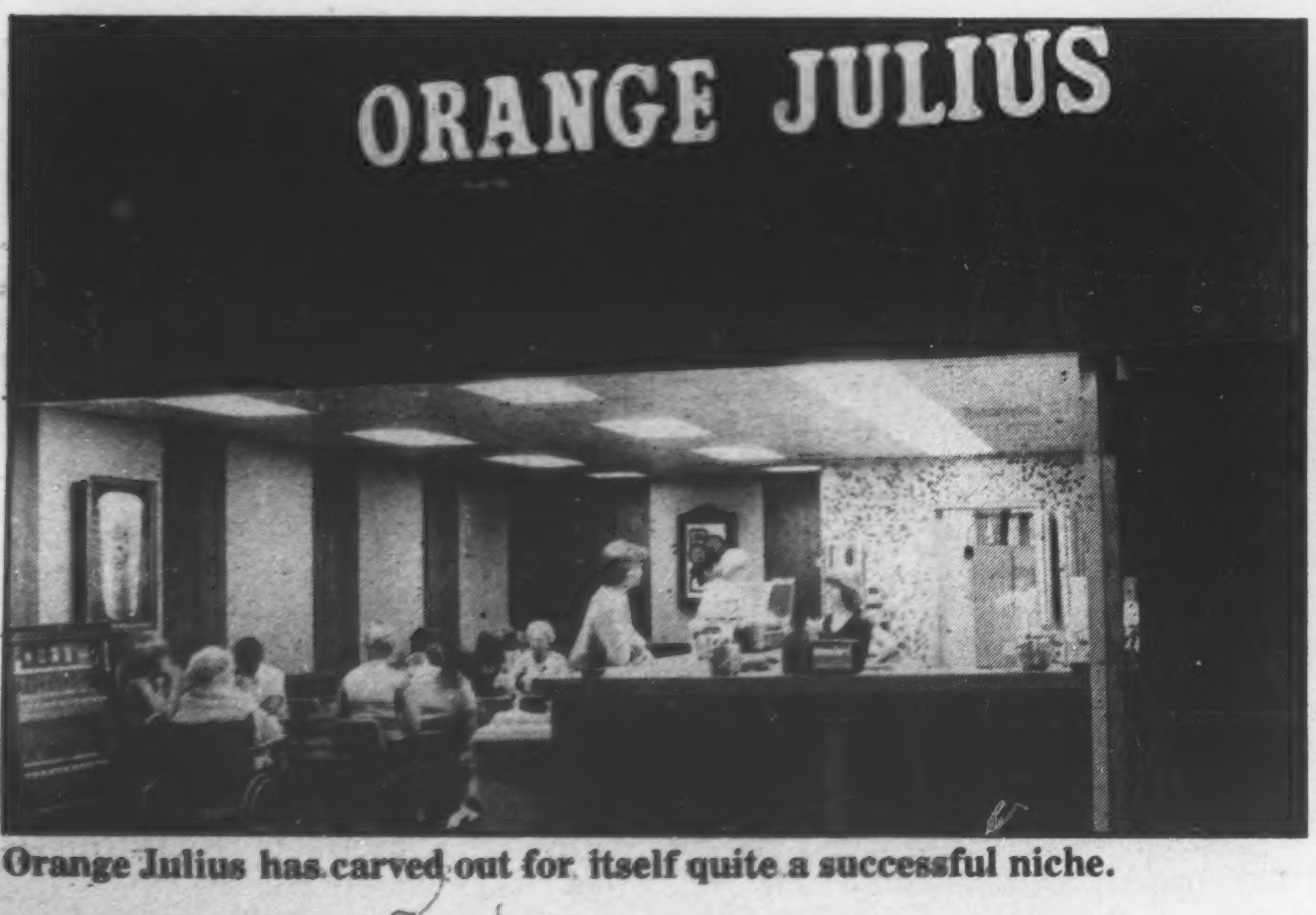
SELECTED FAST-FOOD CHAINS

Chain	Systemwide Sales (In Millions) 1983	1984	Average Same Store Sales (In Thousands) 1983	1984	Average Per Person Checks 1983	1984	Number of Units 1983	1984	Menu Price Hikes 1983	1984
Orange Julius Santa Monica, Calif.	$108.0	$117.0	$176	$186	$2.10	$2.15	700	730	N/A	5.0%
Skipper's Bellvue, Wash.	58.6	73.8	420	460	3.50	3.61	151	173	N/A	4.4
Schlotzsky's Austin, Tex.	37.5	40.0*	200	225	3.25	3.55	185	175	N/A	3-5
Subway Milford, Conn.	45.0	71.0	150	156	3.15	3.25	326	416	2%	0.0
Druther's Louisville, Ky.	94.0	100.0	573	630	2.35	2.40	156	161	N/A	N/A
Stuff Yer Face New Brunswick, N.J.	1.9	2.5*	650	680*	5.00	5.00	3	7	5	5-8
Blimpies New York City	55.0	60.0	280	300	3.25	3.35	200	215	N/A	N/A

*Projected

N/A = Not Available

Source: *NRN* Research



Orange Julius has carved out for itself quite a successful niche.

'Healthy' fast-food chains banking on fitness craze

By Ken Frydman

Is the so-called "healthy" food-service segment a passing fad or a legitimate long-term competitor with traditional fast-food chain restaurants?

D'Lites, Fresher Cooker, Skinny Haven, Red Barn, Super Salads and others have yet to prove themselves with the McDonald's, Burger Kings, Wendy's and Arby's of the fast-food world. But the new kids on the block say they are banking on America's love for fewer calories and more nutrition lasting beyond the current fitness and health craze.

D'Lites and Fresher Cooker are leading the way in this young "lite" food niche with menu innovations and merchandising strategies. Both D'Lites and Fresher Cooker are developing high profiles as they continue to open units and build a market base.

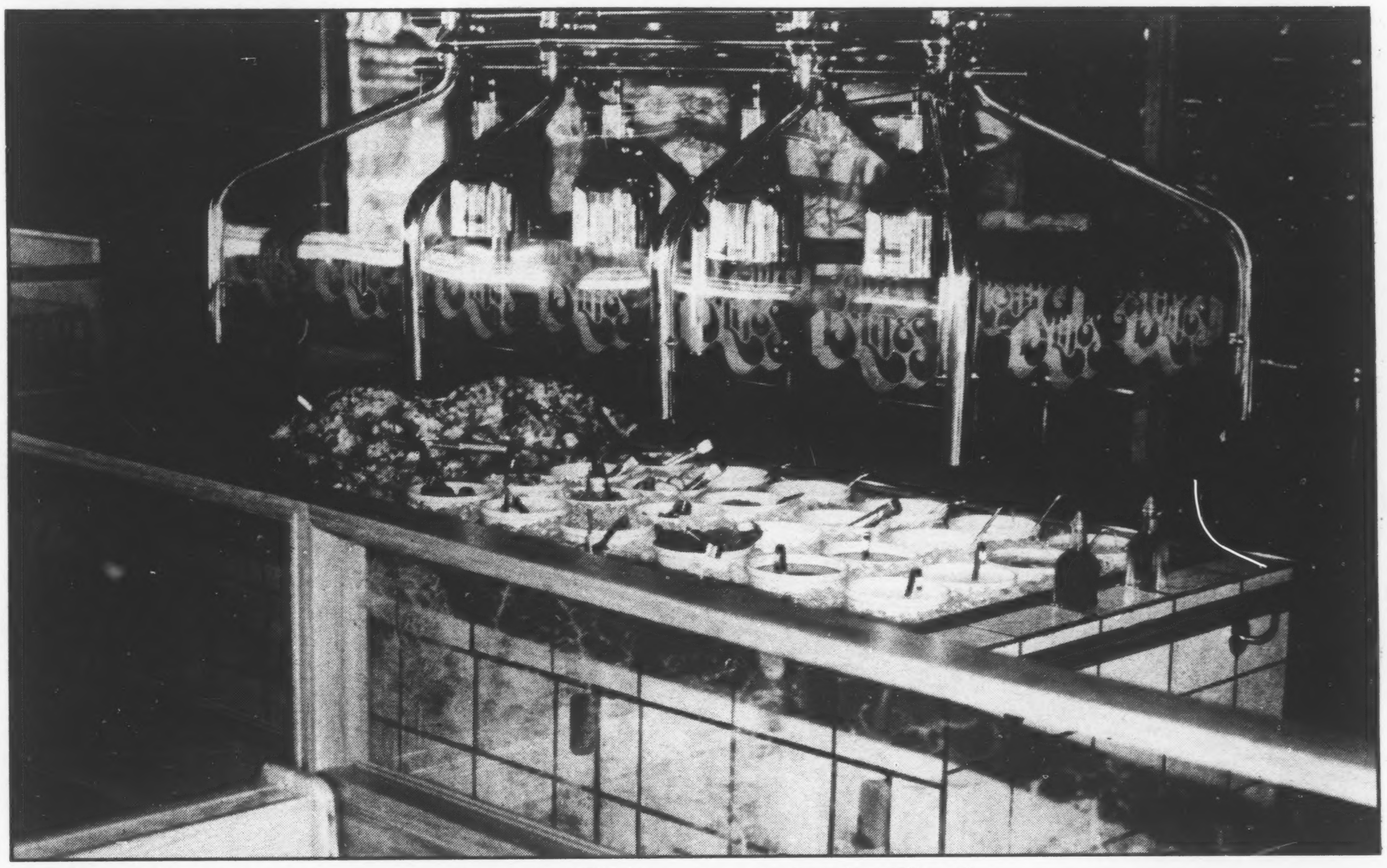
The 21-unit Fresher Cooker, based in Louisville, recently signed Frank Dwyer as its new president and chief executive. Dwyer, the former president and chief executive of the A&W restaurant group and later operations executive vice president of the Acapulco Mexican dinnerhouse chain, has inherited a chain whose $511,511 net loss in third quarter 1984 was its most ever for a single quarter.

"We can't make the company profitable within the next quarter or two, but we will try to streamline operations, increase average per-unit sales and decrease costs," said Dwyer, 43. "Everyone knows the losses of this company. Turning it around represents a big challenge."

Mark S. Weiss, the previous president of Fresher Cooker, built the chain on a menu of freshly made, nonfried lighter food items including sandwiches, pasta dishes, vegetable side ordes and baked potatoes. At the time of his resignation due to illness, Weiss had been working to revamp Fresher Cooker's decor and menu, creating more of a "restaurant" and less of a fast-food operation.

"At first we wanted to be a fast-food alternative to all the units serving one-concept fried, greasy food items," said Weiss. "To do this, we tried to look like the fast-food restaurant of the 1970's."

Since it opened its first unit on Atlanta's Peachtree Road in December 1981, D'Lites of America has become the prototypical low-calorie, high-protein fast-food chain. There are 47 D'Lites units in operation, 38 franchised and nine company-owned.



Salad bars, like the one above, are only part of D'Lites concept of eating "liter."

D'Lites prominence is built on its founder, Doug Sheley, and franchisees, an array of familiar names including former Heisman Trophy Winner Herschel Walker and former Kentucky Governor and Kentucky Fried Chicken principal, John Y. Brown.

The standard D'Lites item has 150 to 200 fewer calories than the fast-food competition's; the typical D'Lites meal contains 400 to 500 fewer calories. The average D'Lites customer is a 30- to 40-year-old, upscale junior executive in the $25,000-$40,000 income range.

Despite its reliance on items containing a minimum of calories, saturated fats, carbohydrates and cholesterol, D'Lites is not overlooking the fast-food purist.

> *'The standard 112-seat, 3,000-sq.-ft. D'Lites unit is hitting $1 million in annual gross sales.'*

"You can order baked potatoes or french fries, sparkling apple juice, regular or sugar-free soda and light or regular salad dressings," said Sheley. "We give our customers many alternatives and reasonable choices."

The standard 112-seat, 3,000-sq.-ft. D'Lites unit is hitting $1 million in annual gross sales. Food costs average 32½% of sales, labor costs, 20% of sales. The average check is $3.

Sheley conceived of the D'Lites theme in 1978 as owner of three health clubs. He learned much of what he knows about the fast-food business during the 1970's as a franchisee of 18 eastern Tennessee Wendy's units.

In California, Skinny Haven has a mixed bag, full-service concept. It serves a potpourri of healthy foods.

Unlike D'Lites, Fresher Cooker, Super Salads and Red Barn, the 23-unit Skinny Haven operation is geared toward the diet-conscious consumer. Its 2,000-sq.-ft., 80-seat units served low-calorie items like taco salads, "Skinny" burritos and chicken enchiladas.

But Skinny Haven's menu and customer base design haven't paid off yet. The chain grossed $15 million in its three-state trading area last year, down from $17 million in 1982 when it was a 27-unit operation.

Meanwhile, the failed Red Barn fast-food hamburger chain is also getting on the healthful foods bandwagon. Red Barn is converting the majority of its remaining 33 units to a reduced-calorie, no-frying concept called Lite Stuff.

Ironically, the Lite Stuff concept will compete directly with remaining Red Barns as well as the Big Three hamburger chains. Most Red Barns today operate in Ohio, New York State and Washington, D.C. Those are markets heavily infiltrated by McDonald's, Burger King and Wendy's.

"We're trying to draw fried chicken customers away from Kentucky Fried Chicken, Popeyes and Bojangles' with our flame-broiled chicken and hamburger customers away from McDonald's, Burger King and Wendy's with our lean hamburgers," said Dale Harvey, executive vice president and general manager of Red Barn Restaurants and its new Lite Stuff concept.

Flame-broiled chicken and leaner burgers are now a part of Red Barn's Lite Stuff concept. Lite Stuff competes with the big burger and chicken chains.

Elliott Reinstein, co-owner with his two brothers and father of the nine-unit, Newton, Mass.-based Super Salads chain, believes the healthier food trend is "here to stay for quite a while, but certainly not forever." Super Salads grossed $5 million in systemwide sales last year.

The Reinsteins are so confident of the healthy food segment's staying power that their management company, Delb Restaurant Management, will soon open a more sophisticated version of Super Salads, dubbed Pistachio's.

"Unlike most Super Salads, Pistachio's will be full service with a liquor selection," said Elliott Reinstein. Like all Super Salads, the two Pistachio's prototypes will be located in the New England region.

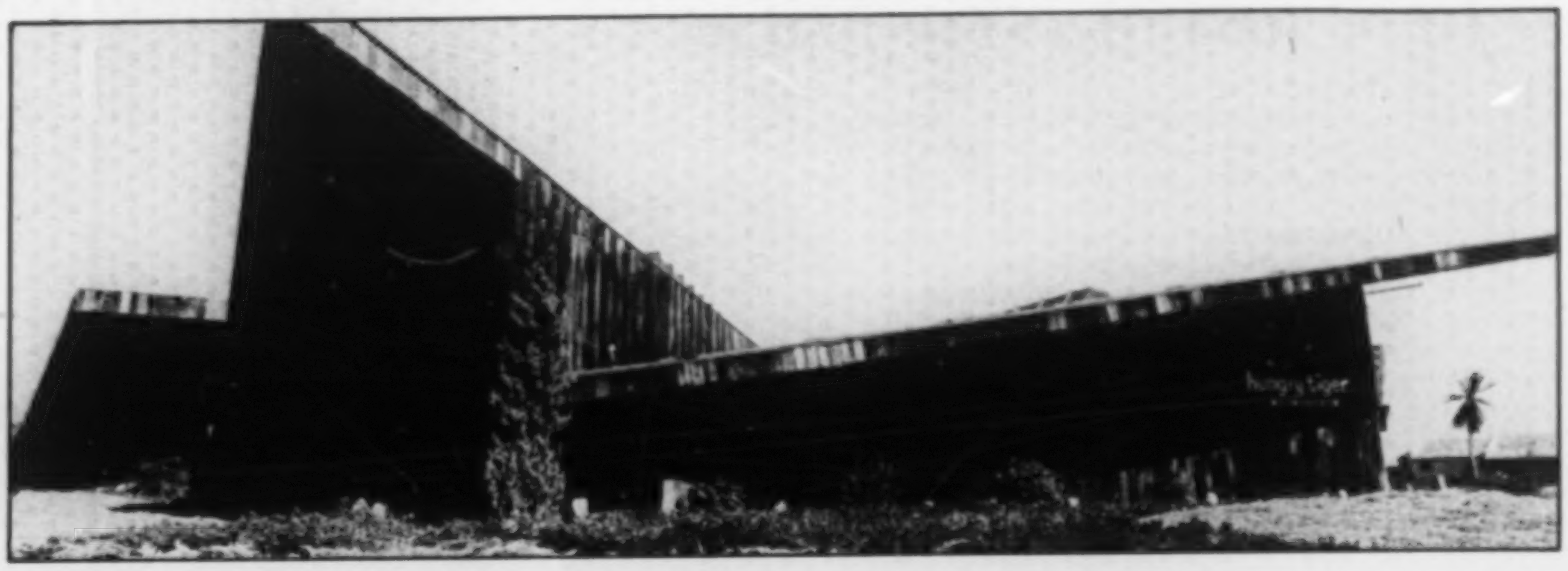
Super Salads, which features an extensive soup and salad menu, is primarily an in-line shopping mall operation, with seating in common food courts. Average per-person checks are $3 in the "express" mall units and $4 to $4.50 in the two full-service restaurant sites, according to Reinstein.

Dinnerhouses hungry for new ideas as sales slump

***NRN* Special Report**

While second-tier dinnerhouses were once nimble, quick-to-respond restaurants that could react to competition and the economy faster than their national counterparts, many are now facing sales slumps and are looking at new menus and new concepts for growth.

Although smaller has often meant better for regionally successful chains, the factors affecting the dinnerhouse segment this year are blind to size. Analysts are predicting an annual sales decrease of 6% for the entire segment in 1985. Seafood dinnerhouses seem to be particularly hard hit owing to the sensitivity of seafood prices, competition from independents and labor costs.



A 5% first-quarter sales slump has Hungry Tiger taking a new look at what diners want.

The Hungry Tiger chain of 41 seafood dinnerhouses based in Van Nuys, Calif., suffered a 5% drop in sales in the first quarter of this year, compared with last year's figures.

The sales slump has got Tom Amberget, director of marketing, interested in what diners are looking for today that they might not be finding at a seafood dinnerhouse.

His answer is HT's, a concept with an emphasis on "fun" which was created from a Hungry Tiger unit with disappointing sales figures.

HT may become Hungry Tiger's second chance on the second tier. The restaurant is loaded with customer-appealing features such as a trendy, high-tech decor; finger foods; calzone; pasta dishes; and mesquite-broiled seafood.

Hoping to make 35% of sales in liquor, the restaurant offers free shrimp, clams, cheese wheels and vegetable appetizers to the clientele at happy hour.

Lobbies are decked out with electronic monitors that tell customers of upcoming events.

The switch to a younger market may be the answer for Hungry Tiger. For the 15-unit Rusty Pelican chain based in Irvine, Calif., a marketing strategy that helped the company achieve annual growth rates of 25%-30% for many years is still in use. Three Rusty Pelican restaurants are planned for 1985 and all will use the carefully orchestrated marketing plans which define separate markets for different meal periods. Despite a softening of sales in the third and fourth quarters of 1984, the restaurant will continue to develop programs around its dinner, lunch, cocktail, late evening entertainment and Sunday brunch business segments.

The company continues to evaluate its menu in relation to the market segment served and has added top sirloin steak, chicken teriyaki and other specialty dishes. A fresh seafood bar offering oysters, clams, shrimp, crab and other hot and cold appetizers will be expanded from its base in 10 of the chain's units to all units.

Widening the customer base has been a challenge for most dinnerhouses which are competing with ethnic and casual-theme concepts for the customer's dollar. The 31-unit Rusty Scupper chain based in San Mateo, Calif., has borrowed "fun food" from its competitors to attract a younger following. Elements of the chain's new Donegal's concept—such as oversized desserts, mesquite-grilled seafood with red skin potatoes and additional sautéed items—may find their way onto the Rusty Scupper menus.

Other "fun" elements of the Donegal's concept include the Fried Balloon, a basket of fried wontons with a helium balloon attached, crayons provided for doodling on white placemats and dishes such as the Banana Split Salad (three scoops of chicken, shrimp and egg salad) and Spaghetti and Meatballs (vanilla ice cream "pasta" with strawberry sauce and chocolate "meatballs").

Two Rusty Scuppers, which had been losing money, were closed during the year in Iowa and Connecticut.

But second-tier seafood dinnerhouses are not the only concepts which have had to add new menu and entertainment-type features to their operations.

Tony Roma's, the 35-unit chain featuring barbecued chicken and ribs, has recently added more finger foods in order to attract the young professional crowd and increase traffic counts.

"We don't want someone to say, 'We can't go to a Tony Roma's because all they have is ribs,'" says Tom Mcrary, marketing director for the chain.

The Tony Roma menu now includes larger chicken fingers, potato skins and pasta salads.

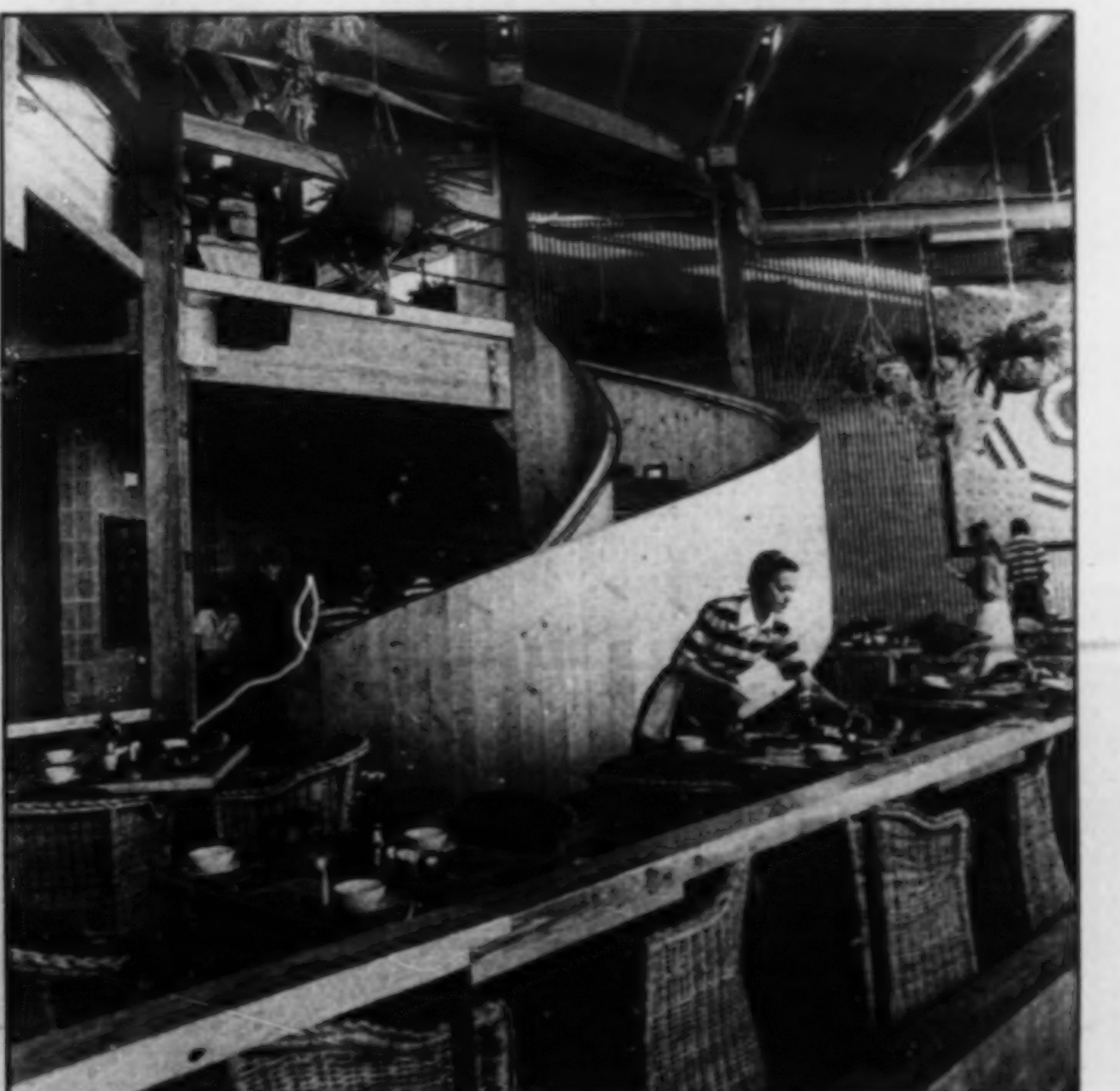
Like Bobby Rubino's, the second-tier barbecue and chicken chain based in Fort Lauderdale with 26 units, Tony Roma's is shooting for a more broadly based menu.

Bobby Rubino's offers the customer more than barbecued ribs, chicken and baby back ribs, even though these items account for 75% of sales. The chain has been able to capture a large audience by offering nonbarbecued entrees.

"We not only want to attack market share with our menu . . . we want to try to stay one step ahead of the competition," said Rod C. Sheldon, director of marketing.

TONY ROMA'S
a place for ribs
DRIVE THRU
DINNE SPECIAL
BAR-B-Q ROAST PORK $2.99
OPEN 11 AM TO 1AM
TONY ROMA'S

The 35-unit Tony Roma's barbecued ribs dinnerhouse recently added more finger foods, including larger chicken fingers and potato skins.



The 31-unit Rusty Scupper chain has borrowed "fun food" from its competitors to attract a younger clientele.

FOCUS | NRN

Second-tier family chains work to fight loss of breakfast sales

Bob Evans Farms' morning sales began to rise following introduction of its $2.45 breakfast special.

By Howard Riell

Second-tier family restaurants across the country are playing on local appeal and price-value perceptions in an effort to hold their ground against the nationals and stave off slow but certain erosion of their breakfast markets by fast feeders.

National Restaurant Association figures show fast feeders' slice of the morning market rising by 13.6% during the last six years. For the same period, family-restaurant chains can boast only a 0.3% increase.

While segment leaders like Denny's, IHOP, Howard Johnson, Perkins and Marriott's Big Boy branch out in search of new markets, regional competitors tend their roots, content for the most part to flower in the shade.

John Dankos, president of Dankos Enterprises in Richmond, Va., called local appeal "a definite advantage" for his 25-year-old, eight-unit Aunt Sara's House of Pancakes and Steak chain. "We try to put back whatever we get from the community. I'm not saying the bigger companies can't do this, but I think we do a better job."

Putting back into a community means encouraging managers of the privately held chain to get involved in local activities. Mrs. Dankos was Richmond's Christmas mother; Dankos himself was president of the locally held National Tobacco Festival, and works regularly with the Boy's Club.

Aunt Sara's notched systemwide sales of $10 million last year, on average checks of $3.55. All units are company owned, and feature dishes like corned beef hash with eggs, potatoes and grits, for $2.75, and sausage and gravy on waffles, for $2.40. Dankos said he's "very happy" with the chains image as "the freshest guys in town," illustrated in recent chicken parmigiana and chicken breast with salad rollouts. Both sell for $3.95.

"Maybe it sounds a little simplistic, but we feel we just have to do a better job," said Leo Bandieri, director of retail operations for 36-unit Newport Creamery. The chain's marketing plan calls for "informing customers that price vs. quality, we have much better value than out competitors."

With ice cream making up between 40% and 50% of sales for the privately held, Worcester, Mass.-based chain, average tabs of only $2.55 brought in $18.6 million systemwide for 1984. Each unit collected an average $565,000 in yearly sales. Menu price rises have held steady over the last two years, at between 5% and 6%.

Now redecorating and adding more comfortable seating for young families, the chain offers hot fudge sundaes with whipped cream for $1.40 and nine Colossal Sundaes, priced at $2.50. Flavors include Turtle, M&M, chip and fudge and strawberry shortcake, and come served in goblets. Mainstay of the hot-food menu is the Super Burger, a 6-oz. patty on a knotted roll, that sells for $2.

Executives of Frontier, parent company of 22-unit Jim's Family Restaurants, "pay closer attention to our units than the nationals can," according to president and chief executive Jim Hasslocher. The San Antonio-based chains, one of several concepts run by Frontier, pushes friendly service, quality food and good atmosphere in its ads, but never mentions competitors or prices because 'We don't want to get into a war," division manager Richard Hahn said. While noting that the menu and general pricing structure of a Denny's restaurant is "close to ours," Hahn said that "some of their specials knock us out of the ballpark." Jim's restaurants garnered $1.2 million per unit last year, on average checks of $3.25. Systemwide, sales totaled $13 million.

The addition of several Mexican items to the menu is targeted at helping late night sales. But, Hahn said, "It's the old-time stuff that sells, like chicken fried steak. Give them something fattening and they love it. High-calorie items are the big sellers." The chain rolled out a croissant sandwich midway through last year, priced at $4.25. Results were "only so-so." More effective rollouts steak and enchiladas, for $5.85, and Carne Guisad (beef tips on rice with Mexican spices in a flour tortilla), for 95¢.

"We're closer to the people," said Dan Evins, chairman and president of 38-unit Cracker Barrel Old Country Stores. The chain blends a rustic, country store setting with a menu filled with regional specialties to produce average per unit sales of $1.65 million, on average per-person checks of $3.80. With gift shops on premises, the chain tallied $56 million in sales in 1984. Expansion plans call for eight new units in 1985.

'Evins looks at fast feeders as a force with which he must soon contend, noting, "I sometimes wonder if they'll get it all." He said, however, that "we're already sitting where they're coming to," pointing to a varied southern, rural menu which includes ham and eggs, breakfasts, buttermilk pancakes with real butter and pure maple syrup for $2.50, and country dinner plates for $2.95. The chain recently rolled out sour dough bread for all its sandwiches, raising their prices an average 10%.

At L-K Restaurants, unit managers are given more flexibility in changing and blending regional menu items to suit taste trends. The 81-unit, Marion, Ohio-based chain "tries to identify with the community [and] become part of [it]," president and chief operating officer Paul Ludwig said. Newspaper ads designate restaurants as "Your Delaware," or "Your Marion L-K restaurant."

Ludwig sees fast food becoming more of a direct competitor, one which has "absolutely cut into breakfast sales" at least 5% to 6%. "Everybody's squeezing into the middle, into the family market," he said. Breakfast now makes up about 28% of the $35.5 million in systemwide sales the wholly owned company chain recorded last year, down from $37 million in 1983. Per-unit sales were $335,000, said Ludwig, on average checks of $2.83. But, he emphasizes, the pressure from fast feeders is being felt. "We've got to push like the devil to tell people we have everything available *and* full service."

At 118-unit Bob Evans Farms, breakfast sales are showing the healthiest sales rise of the year following a new $2.45 breakfast offer meant to compete with Denny's $1.99 breakfast. "I thought we'd get [it] thrown right back in our faces," said marketing vice president Roger Williams. He added that Bob Evans "didn't want to fight a $1.99 battle," but that, though the price is higher, perceived value at his chain was greater." Williams called a local McDonald's unit "one of our best neighbors" for all the customers it has brought to his door.

The chain, based in Columbus, Ohio, had systemwide sales of $120 million in 1984, with individual units pulling just over $1 million each. The company rolled out charbroiled dinners in three markets in December. Priced from $5.95 to $7.95, sales are reportedly exceeding projections. Dinners include Bar-B-Que chicken, St. Louis-style ribs, choice rib eyes, port chops and halibut steak. The chain is also experimenting with 24-hour units on Friday and Saturday nights in the hopes of strengthening its late-night dinner segment.

"San Francisco is one of the last bastions not yet infiltrated by the big boys," said John Latchford, president of Zim's. Despite that, his 12-unit chain utilizes what he calls "special target marketing," always referring to an area, an age group, or some other common bond.

Latchford is unphased by fast feeders' entry into the breakfast market, saying they're not yet a major player in the local scene. "But," he said, "they do provide an alternative." Of $13.2 million in systemwide sales last year, more than 23% came from breakfast, another 40% from lunch.

One sandwich being offered by a fast feeder was adapted to the Zim's style and placed into the system last year; the Bar-B-Que chicken sandwich, which sells for $3.65, has become the chain's second biggest seller, according to Latchford. More recent rollouts, Turkey and Beef Supreme sandwiches, with sprouts, avocado, lettuce and tomato, sell for $3.95 and garner about 3% of sales each.

SELECTED FAMILY RESTAURANT CHAINS

Chain	Systemwide Sales (In Millions) 1983	Systemwide Sales (In Millions) 1984	Average Same Store Sales (In Thousands) 1983	Average Same Store Sales (In Thousands) 1984	Average Per Person Checks 1983	Average Per Person Checks 1984	Number of Units 1983	Number of Units 1984	Menu Price Hikes 1983	Menu Price Hikes 1984
Big Wheel/Wheel Works Highland, Ind.	$ 6.5	$ 5.5	850	850	$4.25	$4.25	9	7	2.5%	3.5%
Bob Evans Farms Columbus, Ohio	104.0	120.0	1,200	1,200	N/A	N/A	90	104	4.0	3.5
Cracker Barrel Lebanon, Tenn.	44.0	56.0	1,500	1,700	3.50	3.80	28	37	7.0	7.0
Dankos Richmond, Va.	8.3	10.0	1,000	1,000	3.20	3.55	7	8	8.0	8.0
Frontier San Antonio, Tex.	12.0	13.0	1,100	1,200	3.00	3.25	19	22	6.0	6.0
L-K Marion, Ohio	37.0	35.5	335	335	2.78	2.83	104	95	0.0	5.0
Newport Creamery Middletown, R.I.	17.3	18.6	537	565	2.36	2.55	33	36	5.5	5.5
Swensen's Phoenix, Ariz.	28.0	N/A	650	N/A	N/A	N/A	115	135	3.0	N/A
Zim's San Francisco	13.0	13.2	1,000	1,100	3.90	4.10	13	12	5.0	3.8

N/A = Not Available

Source: *NRN* research

NRN Index drops 0.5 pts. despite record Dow closing

(Continued from page 174)

12.5% to close at $9 a share. This activity came despite a reported loss of $537,000 in the quarter ended Jan. 28.

Sea Galley, on the other hand, reported net profit of $8.5 million for the year ended Dec. 30, compared with a loss the previous year. That news made Sea Galley one of the week's leading gainers.

Beefsteak Charlie had the highest increase in stock price last week: up 37.5% to $2.75.

G. D. Ritzy's, which last week reported a net loss of $4.3 million for 1984, was the week's second leading price-change loser, down 16.7% to $2.50.

The stock with the greatest volume trend change last week was Pancho's Mexican Buffet. The total weekly volume was 12.9 million shares, an 812.3% increase. Despite this activity, Pancho's stock price rose only 3.4% to close at $7.63. The company recently filed an 800,000-share offering.

Among the widely held restaurant issues, Church's, McDonald's and Wendy's all hit yearly highs last week. Church's, which recently reported that net profit for last year was up 35% over the previous year to $42.5 million, hit $37 a share.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Pancho Mex Buffet	812.3	Dunkin Donuts	145.8
Hilton Hotels	342.2	Piccadilly Caf	113.5
Sea Galley	242.3	El Chico	102.4
Cracker Barrel	179.3	Sonesta Intl	100.0
Max Erma's	160.8	Skippers	90.3

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Beefsteak Char	37.5	Rax Restaurants	12.5
Max Erma's	26.7	Sea Galley	12.3
Esteban Foods	21.4	Cracker Barrel	11.8
Mr Steak	15.8	Assoc Hosts	11.3
Nathans	15.4	El Chico	7.9

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
1 Potato 2	- 23.5	Calibre Cp	- 8.3
Ritzys G D	- 16.7	Hilton Hotels	- 8.2
Peoples Rest	- 10.0	DLites Of Amer	- 6.8
Intl Dairy Queen	- 9.9	So Hospitality	- 6.8
Kapok Cp	- 8.3	Natl Pizza	- 5.4

Company and Market	Stock Market											Financial Update																	
	Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	3-01-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol. As % Out	Volume Trend Change				New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
		Amt.	Pct.	High	Low	High	Low	Total	% Out				Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	5.63	.00	.0	6.00	5.38	7.50	3.50	346	.97	.88	10.2	16.1	.00	.0	—	9 mos.	09-84	8.1	26.6	.4	.0	.11	- 26.7	22.1	28.5	1.1	22.2	.30	- 14.3
Acapulco Rests O	4.25	.00	.0	4.50	4.25	5.00	3.50	22	.09	.66	- 86.4	17.0	.00	.0	—	fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest O	4.13	- .13	- 2.9	4.38	4.13	6.00	2.38	15	.07	1.02	- 93.1	21.7	.00	.0	—	9 mos.	10-84	4.6	21.1	.1	.0	.02	- 71.4	13.6	20.4	.3	.0	.12	- 40.0
Assoc Hosts M	13.50	1.38	11.3	13.50	12.00	17.13	10.50	1,892	4.28	2.69	59.1	16.3	.12	.9	—	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char A	2.75	.75	37.5	3.00	2.00	4.63	1.75	996	1.76	.93	89.2	NE	.00	.0	—	fiscal	10-84	23.5	7.8	(6.3)	NE	(1.13)	- 100.0	92.2	- 3.2	(8.0)	NE	(1.43)	- 100.0
Benihana Natl M	19.25	.50	2.7	19.63	18.63	19.25	5.00	775	2.67	3.53	- 24.4	25.3	.00	.0	—	9 mos.	12-84	15.4	208.0	.7	75.0	.23	64.3	39.7	166.4	1.8	63.6	.62	47.6
Bob Evans Farms M	19.13	.88	4.8	19.13	18.25	20.25	14.75	1,457	.90	.78	15.4	18.6	.30	1.6	—	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp M	1.38	- .13	- 8.3	1.38	1.13	9.00	1.00	139	.46	.55	- 16.4	NE	.00	.0	—	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food M	12.25	.25	2.1	12.25	11.88	12.25	7.25	553	1.22	2.77	- 56.0	19.4	.16	1.3	—	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab M	2.38	.00	.0	2.50	2.25	6.13	1.38	1,511	.99	1.39	- 28.8	NE	.00	.0	—	fiscal	08-84	1.7	466.7	(.4)	NC	(.03)	NE	5.4	260.0	(1.0)	NC	(.08)	NE
Carrols Cp N	11.13	.00	.0	11.25	10.63	11.50	7.13	908	1.17	1.12	4.5	15.9	.07	.6	—	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's M	11.25	- .38	- 3.2	11.25	11.00	18.88	10.00	7,123	2.65	4.32	- 38.7	16.8	.00	.0	—	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chili's inc M	24.38	1.00	4.3	24.50	23.38	25.63	12.75	612	1.36	2.50	- 45.6	35.8	.00	.0	—	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch N	36.75	1.88	5.4	37.00	34.88	37.00	21.38	3,332	1.77	2.33	- 24.0	16.3	.80	2.2	NEW	fiscal	12-84	189.8	25.0	14.5	79.0	.77	140.6	545.3	20.0	42.6	34.8	2.26	36.1
Collins Foods N	20.75	.63	3.1	20.88	19.50	22.13	9.91	1,402	1.61	2.00	- 19.5	16.2	.16	.8	—	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev O	8.00	- .25	- 3.0	8.38	8.00	17.69	5.75	113	.22	1.87	- 88.2	15.4	.00a	.0	—	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts M	5.00	.00	.0	5.00	4.75	8.63	4.75	124	.35	.45	- 22.2	14.3	.08	1.6	—	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant M	5.50	.13	2.3	5.63	5.13	13.63	4.50	1,160	2.58	2.65	- 2.6	91.7	.00	.0	—	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel M	14.25	1.50	11.8	14.50	13.00	23.50	11.75	1,153	3.24	1.16	179.3	15.2	.14	1.0	—	3 mos.	10-84	16.6	18.6	.8	.0	.26	- 13.3	16.6	18.6	.8	.0	.26	- 13.3
Cucos Inc O	5.25	.00	.0	6.00	5.00	5.25	2.75	147	.85	.72	18.1	40.4	.00	.0	NEW	3 mos.	09-84	1.7	142.9	.0	- 100.0	.03	.0	1.7	142.9	.0	- 100.0	.03	.0
Diversifoods M	9.63	- .13	- 1.3	9.88	9.63	16.75	8.00	27,421	8.13	7.61	6.8	17.8	.34	3.5	—	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer M	12.00	- .88	- 6.8	12.50	12.00	15.50	10.88	1,726	3.42	3.90	- 12.3	NM	.00	.0	—	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts M	27.13	- .63	- 2.3	27.75	27.13	28.00	18.38	2,524	5.31	2.16	145.8	13.9	.32	1.2	NEW	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico M	10.25	.75	7.9	10.25	9.50	10.25	7.25	1,187	2.55	1.26	102.4	13.1	.00	.0	NEW	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest N	14.63	- .13	- .8	14.75	13.88	14.88	9.13	906	.82	.85	- 3.5	15.1	.00	.0	—	fiscal	12-84	61.1	13.6	2.1	16.7	.19	35.7	250.1	18.7	11.1	29.1	.97	42.6
Fast Food Oper O	.75	.00	.0	0.88	0.75	1.88	.69	136	.23	.92	- 75.0	15.0	.00	.0	NEW	3 mos.	03-84	1.7	13.3	.0	NC	.00	- 100.0	1.7	13.3	.0	NC	.00	- 100.0
Flakey Jakes M	7.88	.13	1.6	8.00	7.75	9.13	5.13	2,893	4.15	2.43	70.8	NE	.00	.0	—	9 mos.	09-84	3.3	371.4	(.3)	NE	(.05)	NE	6.6	340.0	(.7)	NE	(.11)	NE
Fresher Cooker O	3.00	.00	.0	3.38	3.00	6.75	3.00	93	.55	.43	27.9	NE	.00	.0	—	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's A	20.00	.00	.0	20.00	19.38	20.88	12.00	38	.09	.20	- 55.0	17.2	.22	1.1	—	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc M	11.13	.38	3.5	11.25	9.25	16.25	8.50	3,853	5.92	3.58	65.4	NC	.00	.0	NEW	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot M	2.38	.00	.0	2.38	2.13	6.38	1.63	688	1.15	2.87	- 59.9	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco M	.50	.00	.0	0.50	0.44	4.88	.25	254	.86	2.89	- 70.2	NE	.00	.0	—	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet O	13.75	.25	1.9	14.75	13.75	14.50	9.75	5	.07	.17	- 58.8	11.9	.00	.0	—	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger M	5.38	.13	2.4	5.50	5.13	7.50	3.63	465	1.61	1.62	- .6	28.3	.00	.0	—	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen O	45.50	- 5.00	- 9.9	50.50	45.50	50.50	33.00	66	.33	.26	26.9	12.7	.00	.0	—	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab M	21.75	.00	.0	22.00	21.75	21.88	11.59	274	.96	3.00	- 68.0	16.4	.00a	.0	—	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	20.0	19.2	6.7	1.1	37.5	.36	20.0
JB's Rest M	21.13	1.13	5.6	21.50	19.75	21.50	10.38	1,512	6.51	4.01	62.3	17.0	.20	.9	—	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc M	19.38	.63	3.3	19.63	18.00	19.38	13.00	6,763	4.29	3.42	25.4	14.0	.12	.6	—	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	256.3	8.5	10.4	15.6	.66	15.8
Kapok Cp A	2.75	- .25	- 8.3	3.00	2.75	4.25	1.13	271	1.21	.82	47.6	NE	.00	.0	—	fiscal	09-83	3.1	72.2	(4.0)	NE	(.33)	NE	12.3	7.9	(2.1)	NE	(1.29)	NE
Karcher Carl M	18.50	.25	1.4	18.63	18.00	29.63	13.50	747	1.06	3.20	- 66.9	11.1	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston M	1.06	.00	.0	1.13	1.06	8.38	.75	2,053	2.41	5.81	- 58.5	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	30.00	.00	.0	30.00	29.50	32.00	23.63	166	.14	.54	- 74.1	21.0	.54	1.8	—	fiscal	08-84	48.7	23.6	5.0	28.2	.41	173.3	174.9	21.4	17.4	25.2	1.43	24.3
Marcus Corp M	15.88	.00	.0	16.00	15.88	16.13	11.88	107	.21	.27	- 22.2	10.8	.28	1.8	—	6 mos.	11-84	30.2	4.5	2.0	.0	.39	5.4	63.7	3.6	4.8	2.1	.94	3.3
Marriott Corp N	85.25	1.75	2.1	85.50	82.75	86.38	58.50	1,772	.69	.74	- 6.8	17.0	.54	.6	—	fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest O	2.75	.00	.0	2.88	2.75	6.25	2.25	91	.18	.66	- 72.7	16.2	.00	.0	—	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	78.6	.6	50.0	.13	44.4
Max Erma's O	4.75	1.00	26.7	5.00	4.00	6.88	2.50	478	2.66	1.02	160.8	NE	.00	.0	NEW	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp N	61.88	2.38	4.0	62.38	59.25	62.38	40.84	8,940	1.03	1.17	- 12.0	14.5	.82	1.3	—	9 mos.	09-84	784.8	- 4.1	114.3	13.6	1.30	16.1	2395.1	7.6	297.9	13.4	3.37	15.4
Morrison Inc M	18.88	.00	.0	19.13	18.75	19.00	13.13	1,580	1.15	1.48	- 22.3	12.6	.48	2.5	—	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak O	2.75	.38	15.8	2.88	2.38	3.25	1.13	1,038	2.17	1.26	72.2	NE	.00	.0	—	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express O	1.50	.00	.0	1.88	1.50	2.50	1.00	71	.32	1.16	- 72.4	NE	.00	.0	NEW	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans O	3.75	.50	15.4	3.88	3.25	4.50	1.78	432	1.94	1.87	3.7	15.0	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza O	8.75	- .50	- 5.4	9.50	8.75	9.75	7.50	88	.16	.21	- 23.8	9.7	.00	.0	—	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc M	5.38	.13	2.4	5.38	5.00	14.50	4.88	1,812	4.06	6.54	- 37.9	NE	.00	.0	—	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 O	1.63	- .50	- 23.5	2.00	1.63	12.25	1.63	101	.46	1.73	- 73.4	32.5	.00	.0	—	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

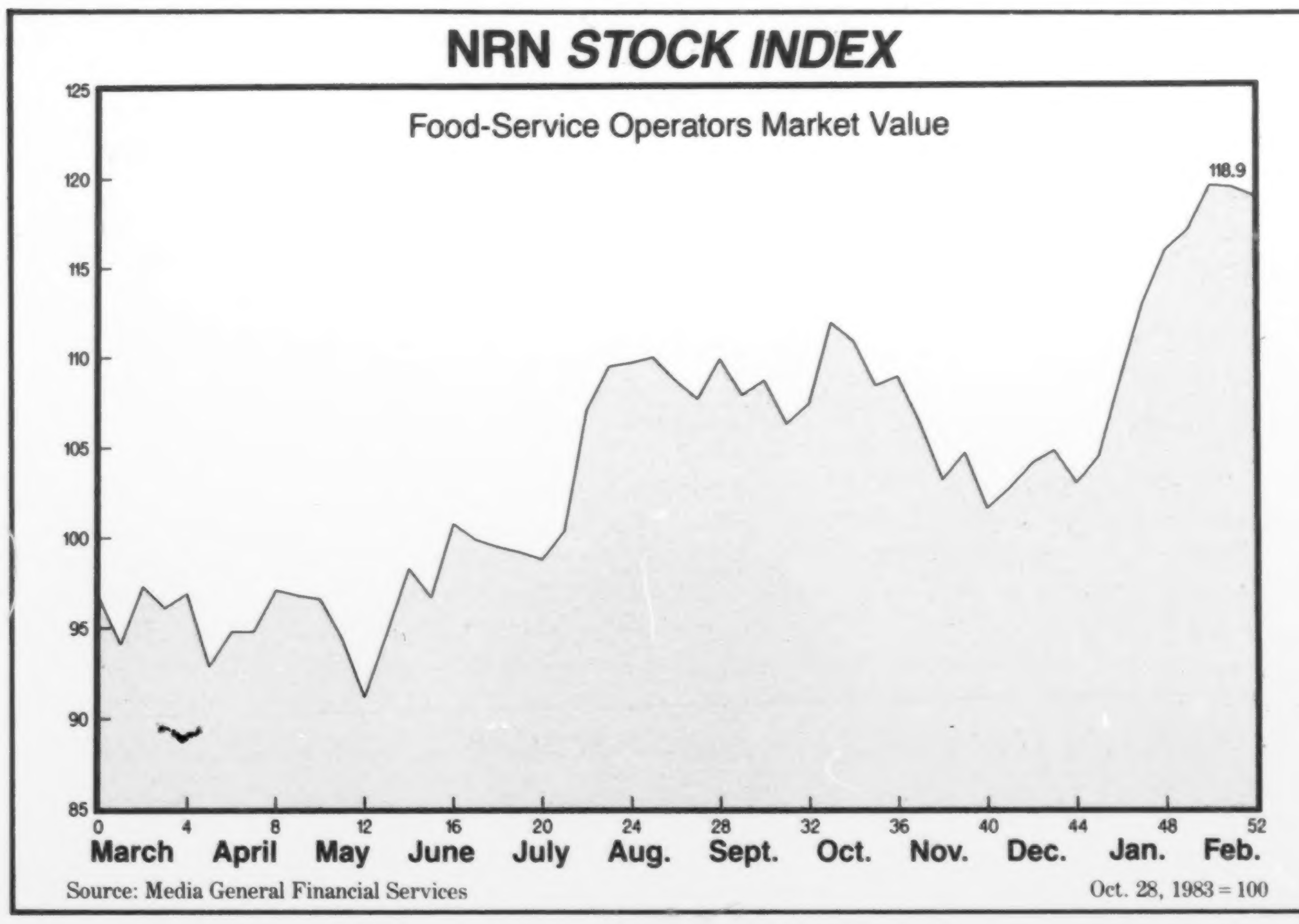
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FINANCIAL NEWS

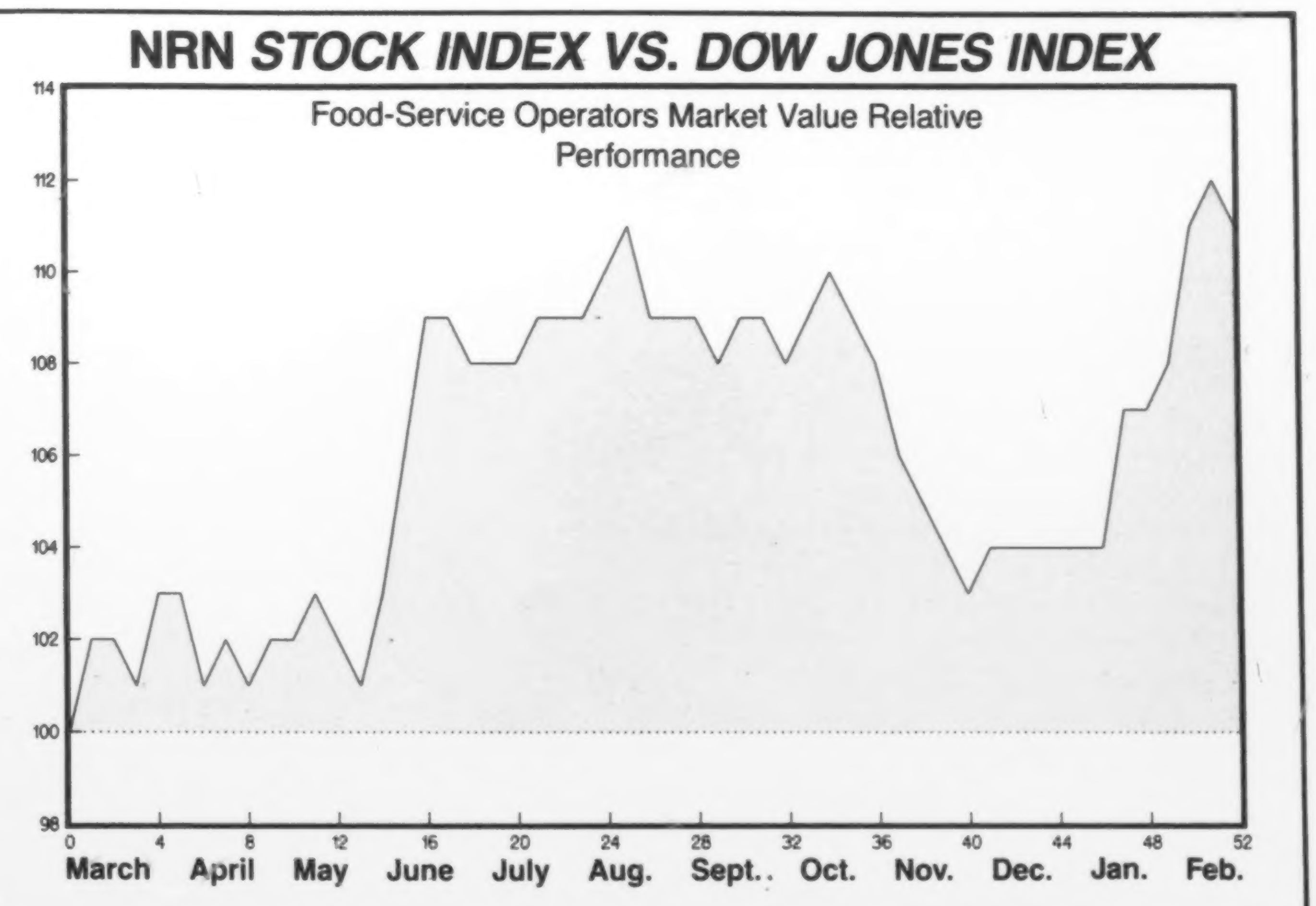
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	3-01-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd .... O	5.00	.00	.0	5.50	5.00	6.25	4.00	40	.29	.39	- 25.6	9.8	.00	.0	.....	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet .... M	7.63	.25	3.4	7.88	7.38	8.25	5.88	12,924	47.62	5.22	812.3	13.6	.13	1.7	.....	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest .... M	.56	- .06	- 10.0	0.63	0.56	5.00	.25	2,711	3.15	7.29	- 56.8	NE	.00	.0	.....	3 mos.	09-84	8.3	- 30.3	(3.3)	- 100.0	(.39)	- 100.0	8.3	- 30.3	(3.3)	- 100.0	(.39)	- 100.0
Piccadilly Caf .... M	24.00	1.00	4.3	24.25	23.00	24.25	16.00	1,908	3.16	1.48	113.5	13.9	.60	2.5	.....	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn .... A	10.00	.38	3.9	10.00	9.38	12.75	6.88	245	.80	1.20	- 33.3	9.6	.08	.8	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks .... M	11.13	- .13	- 1.1	11.38	11.00	16.63	8.75	228	.52	1.01	- 48.5	15.5	.00	.0	NEW	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys .... N	14.00	.75	5.7	14.00	12.75	22.88	11.50	5,315	5.54	3.49	58.7	8.2	.40	2.9	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc .... O	3.50	.00	.0	3.63	3.50	5.63	2.38	90	.27	1.49	- 81.9	NE	.00	.0	.....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants .... M	9.00	1.00	12.5	9.50	8.00	16.75	8.00	930	1.47	1.59	- 7.5	13.2	.00	.0	.....	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc .... A	8.50	.38	4.6	8.75	8.00	8.88	5.38	382	1.37	1.55	- 11.6	11.6	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys .... M	15.50	.75	5.1	15.50	14.75	15.50	9.00	373	1.61	1.08	49.1	17.4	.00	.0	.....	fiscal	12-84	8.5	13.3	.5	25.0	.21	23.5	36.4	23.0	2.1	50.0	.89	23.6
Ritzys G D .... M	2.50	- .50	- 16.7	2.75	2.25	9.00	1.75	606	1.17	1.62	- 27.8	NE	.00	.0	.....	9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican .... M	14.25	.00	.0	14.38	14.00	18.25	11.00	214	.76	2.60	- 70.8	19.0	.00	.0	.....	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak .... M	17.75	.50	2.9	17.75	17.25	17.75	10.84	1,252	1.94	2.28	- 14.9	34.8	.00	.0	.....	fiscal	12-84	9.3	66.1	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp .... N	31.25	.88	2.9	31.50	30.13	35.50	25.88	671	.51	1.94	- 73.7	12.3	.52	1.7	.....	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef .... M	8.75	.00	.0	8.75	8.50	11.75	6.75	60	.48	.94	- 48.9	14.3	.00	.0	.....	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley .... M	8.00	.88	12.3	8.13	7.13	11.00	6.50	6,685	17.01	4.97	242.3	NE	.00	.0	NEW	9 mos.	09-84	15.7	- 14.2	3.0	NE	.76	- 17.4	48.3	- 11.9	5.3	NE	1.35	1587.5
Shoney's Inc .... M	25.50	- 1.13	- 4.2	26.13	24.75	27.88	16.22	6,533	2.31	1.29	79.1	17.6	.15	.6	.....	fiscal	10-84	109.8	11.2	8.3	31.7	.65	170.8	469.8	19.6	30.2	29.1	1.45	64.8
Shoney's South .... M	15.50	.00	.0	15.50	15.25	16.59	11.00	143	.25	1.15	- 78.3	13.1	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	23.1	127.3	17.2	5.8	48.7	1.00	19.0
SIS Cp .... M	5.00	- .25	- 4.8	5.25	5.00	8.50	3.25	107	.69	.99	- 30.3	NE	.00	.0	.....	9 mos.	09-84	2.1	61.5	(.1)	- 100.0	(.02)	- 100.0	5.6	86.7	(.1)	- 100.0	(.06)	- 100.0
Sizzler Rest Intl .... M	19.50	1.00	5.4	19.50	18.50	20.00	9.25	565	.83	.94	- 11.7	15.6	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers .... M	12.00	.75	6.7	12.00	10.00	12.13	8.00	857	3.14	1.65	90.3	12.9	.06	.5	.....	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality .... M	5.13	- .38	- 6.8	5.50	5.00	5.88	3.75	1,764	3.68	3.93	- 6.4	14.6	.00	.0	.....	6 mos.	11-84	10.3	18.4	.4	33.3	.08	14.3	21.0	25.7	.8	33.3	.16	14.3
Taco Viva .... M	10.00	- .50	- 4.8	10.25	10.00	11.25	7.00	166	.73	1.23	- 40.7	18.9	.00	.0	.....	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's .... N	11.63	.13	1.1	11.88	11.25	13.13	7.88	819	.72	1.17	- 38.5	17.9	.00	.0	.....	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas .... O	2.25	- .13	- 5.3	2.75	2.25	4.25	2.25	39	.26	.29	- 10.3	NE	.00	.0	.....	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld .... N	36.13	.50	1.4	36.25	34.75	37.63	24.50	5,644	1.73	2.50	- 30.8	11.5	.40	1.1	.....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes .... M	5.25	- .13	- 2.3	5.38	4.88	5.75	2.75	1,641	2.61	2.76	- 5.4	15.0	.14	2.7	.....	3 mos.	12-84	4.6	15.0	.4	- 20.0	.07	- 30.0	4.6	15.0	.4	- 20.0	.07	- 30.0
Vicorp Restaurants .... M	25.75	1.75	7.3	[illegible]	23.38	25.75	13.25	4,899	7.38	4.09	80.4	19.5	.12	.5	.....	fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations .... M	4.00	.13	3.2	4.00	3.75	8.00	2.13	1,109	3.13	5.07	- 38.3	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl .... N	22.50	1.50	7.1	22.75	20.75	22.75	13.13	14,440	2.63	2.35	11.9	18.0	.28	1.2	.....	fiscal	12-84	249.9	27.0	17.6	18.9	.32	18.5	944.8	32.1	68.7	24.5	1.25	23.8
Wstn Steer .... O	10.00	.50	5.3	11.00	10.00	12.00	9.00	1	.01	.44	- 97.7	17.5	.20	2.0	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp .... N	7.38	- .25	- 3.3	7.63	7.13	13.38	5.13	331	.74	1.06	- 30.2	19.9	.00	.0	NEW	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	3.50	- .13	- 3.4	3.75	3.50	6.63	2.63	574	.44	1.10	- 60.0	NE	.10	2.9	NEW	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(26.3)	NE	(1.77)	NE
Hilton Hotels .... N	57.63	- 5.13	- 8.2	63.38	57.00	63.38	45.50	12,715	5.13	1.16	342.2	13.3	1.80	3.1	.....	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns .... N	51.88	- .75	- 1.4	52.88	51.88	52.88	35.25	7,701	2.20	4.52	- 51.3	14.4	.90	1.7	.....	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn .... N	31.88	2.13	7.1	31.88	29.63	32.00	16.38	1,264	.87	1.23	- 29.3	24.9	.12	.4	.....	3 mos.	09-84	47.9	192.1	5.8	26.1	.40	25.0	47.9	192.1	5.8	26.1	.40	25.0
Ramada Inns .... N	7.25	.13	1.8	7.38	6.63	8.75	5.13	6,793	1.83	2.45	- 25.3	24.2	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc .... M	19.00	.00	.0	19.25	18.50	22.28	12.28	80	.23	.62	- 62.9	9.0	.00a	.0	.....	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl .... O	21.00	.00	.0	23.00	21.00	23.00	17.50	19	.12	.06	100.0	NE	.40	1.9	.....	9 mos.	09-84	22.6	17.1	(.6)	- 100.0	(.38)	- 100.0	62.1	11.9	(.6)	- 100.0	(.41)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	20.38	.88	4.5	20.38	18.25	22.63	13.50	1,513	2.52	2.59	- 2.7	12.3	.40	2.0	NEW	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut .... N	8.38	- .13	- 1.5	8.63	8.13	14.56	7.63	167	.36	.74	- 51.4	NM	.48	5.7	.....	3 mos.	10-84	26.5	- 10.2	.1	- 83.3	.03	- 75.0	26.5	- 10.2	.1	- 83.3	.03	- 75.0
Disney, Walt .... N	76.50	.00	.0	78.38	76.25	81.13	45.25	6,164	1.83	2.74	- 33.2	62.7	1.20	1.6	.....	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods .... O	2.13	.38	21.4	2.25	1.75	3.50	1.13	219	.94	.85	10.6	23.6	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills .... N	55.88	.13	.2	56.00	54.88	60.00	45.50	5,655	1.25	1.92	- 34.9	13.4	2.24	4.0	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R .... N	41.13	.63	1.5	41.25	40.38	44.50	36.50	5,572	1.15	1.03	11.7	10.2	2.80	6.8	.....	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart .... A	10.50	- .13	- 1.2	11.25	10.38	21.19	8.63	1,277	1.03	1.65	- 37.6	12.8	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 35.5
Ogden Corp .... N	31.75	1.00	3.3	31.75	30.38	31.75	24.13	1,189	.63	.82	- 23.2	15,5	1.80	5.7	.....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc .... N	48.50	.50	1.0	49.00	47.00	49.00	35.88	9,344	1.00	1.48	- 32.4	14.3	1.68	3.5	.....	9 mos.	09-84	1934.3	8.0	118.3	24.4	1.24	24.0	5425.9	13.3	243.9	17.9	2.57	17.4
Pillsbury Co .... N	47.13	2.50	5.6	47.25	44.50	47.25	33.00	4,160	.96	1.29	- 25.6	10.9	1.56	3.3	.....	6 mos.	11-84	1256.5	11.7	66.1	26.9	1.52	26.7	2280.0	11.0	105.0	20.8	2.42	21.0
Vie de France .... M	12.75	.00	.0	12.88	12.50	15.25	10.50	1,516	1.40	.92	52.2	20.9	.23	1.8	.....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

Reporting Period

3 mos.	First quarter of fiscal year
6 mos.	First six months of fiscal year
9 mos.	First nine months of fiscal year
fiscal	Fiscal year
NEW	New report since last issue

General Field Footnotes

NA	Not available or not applicable.
NC	Data required for calculation currently incomplete in our files.
NE	Negative earnings invalidate calculations.
NM	No meaningful figure.
a	Under dividend amount, an 'a' indicates a stock dividend.
b	Indicates cash plus stock dividend when applied to dividend amount column.

Market

N	New York Stock Exchange
A	American Stock Exchange
O	NASDAQ Over-the-Counter
M	NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Sluggish January launches 1985 on a troubled foot

By Rick Telberg
Financial Editor

First-hand reports are beginning to emerge adding flesh to government statistics that indicate January may have been one of the worst months for the restaurant industry in years.

U.S. Commerce Department data which showed that sales grew only 3.3% annually in January have now been given new perspective by Labor Department reports that indicate menu prices rose 3.9% annually, discounting a gain into a 0.6% loss. Not since the recession years of 1981-82, has there been a negative month for the industry.

Harsh winter weather, which froze the South and snowed under Texas, and tough comparisons with last year's booming recovery have been blamed for the poor showing.

But an increasing number of operators are also complaining about increased competition and battles for market share, which may indicate that they believe January's troubles go deeper than simply the whims of nature or tricks of the calendar.

Few economists are predicting a recession this year. And 1985 may off to a true-to-form start since industry experts forecast a slow beginning and a big finish for the year. But the vast majority of business economists now predicts a recession in 1986.

If January's troubles are as deep as the pessimists fear, and if the restaurant industry is an oracle of consumer bahavior, the business economists may be right.

How bad was January?

Pancho's Mexican Buffet, a 39-unit cafeteria chain based in Fort Worth, Tex., said that due to bad weather it earned only $47,654 in January, down from $81,476 last year.

Saga Corp., a diversified food services company in Menlo Park, Calif., suffered sales and profits so soft in its restaurants that Montgomery Securities analysts in San Francisco shaved future earnings forecasts.

Rax Restaurants of Columbus, Ohio, turned in a January-ending second quarter with 40% more restaurants systemwide than a year ago, but only 7% more revenue.

Rax's average unit volumes were off 9% in the quarter, leading to a $537,000 deficit at a company that last year was charting one of the headiest growth paths in the industry.

These three companies, all owning a reputation as among the better-managed concerns in the business, expect to recover fully. But they may be only the tip of an iceberg.

Of 87 companies listed on the *Nation's Restaurant News* stock tables recently, 39, or 45%, failed to show earnings growth in their latest reported quarter, earnings declines or, in 21 cases, outright deficits.

Some are predicting a shakeout in the restaurant industry this year. Joe Lee, president of the General Mills restaurant group, said in this space last week that his organization has disbanded its design and construction division to instead convert failed restaurant sites to Red Lobsters.

Unlike shakeouts in other industries, where companies dissolve in spectacular liquidations, restaurant industry shakeouts are more subtle. In this business lagging performers slow growth to a standstill and leak red ink stemming from high overhead costs until the real estate is converted to a new concept either through new investment or under a new owner.

January may have been as bad as it will get this year. But a rising chorus is beginning to openly worry that the industry is entering a period of painful reappraisal.

* * *

STOCK-PICKERS' PICKS: Michael Culp at Prudential-Bache in New York has raised his rating for Wendy's (recent price: $19.75) a notch. Year-out target price: $30. His reasons: Ad spending could jump 50% this year in a breakfast blitz, powering a 20% annual growth rate. Smaller competitors beware.

Michael G. Mueller at Montgomery Securities in San Francisco says Transworld Corp. ($35) is shopping for acquisitions in restaurants, lodging, real estate and financial services with $200 million in spending power.

Winner's slumps

Year-end profit down to $1.6M

NASHVILLE — Hurt by subpar sales and high costs in its 184-unit Mrs. Winner's chicken and biscuits fast-food chain, Winners Corp. posted a 43% annual net profit decline, to $1.6 million for the year ended Dec. 31. However, its revenue rose 22% to $107.1 million on the year.

Fourth-quarter net dropped 65% from a year ago, declining to $295,000 while revenue gained 9%, rising to $27.7 million. Last-quarter income included a $196,000 one-time gain from a land sale adjacent to corporate offices, with the net losses stemming from the shutdown of three Mrs. Winner's outlets.

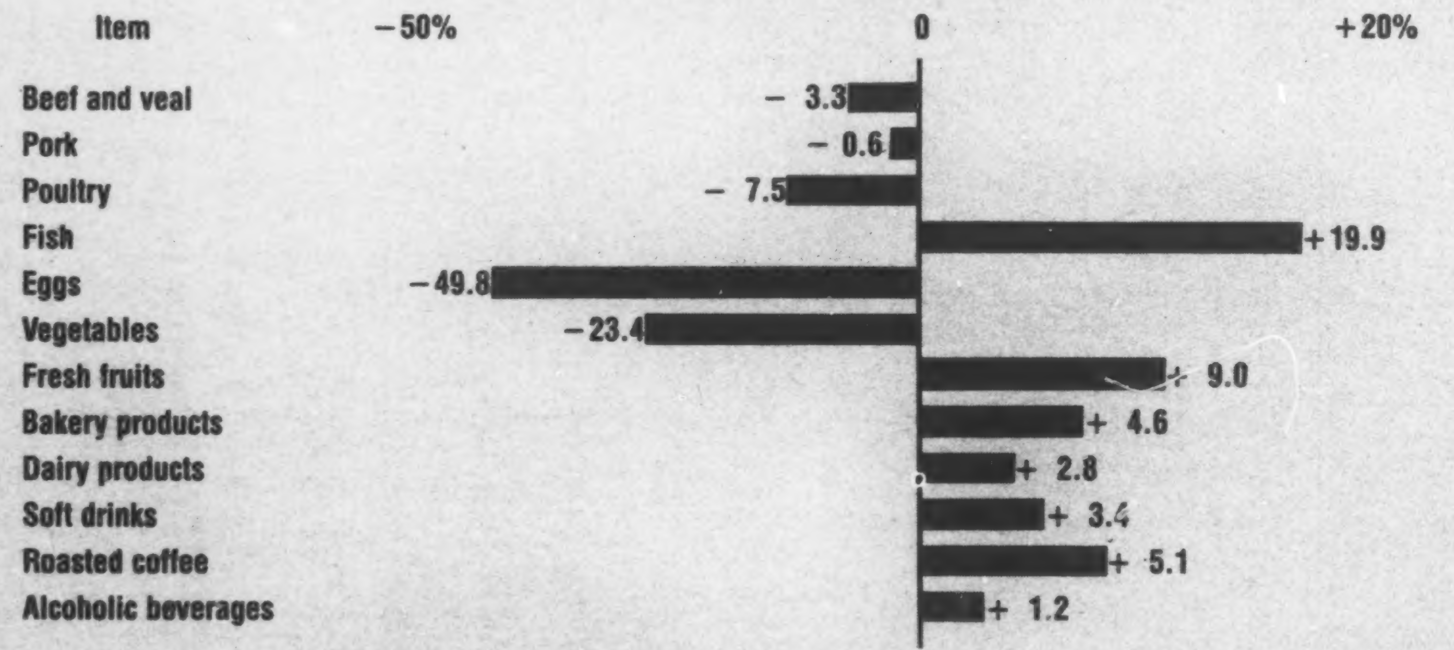
President Buck Hussung said the company was hurt in newer Mrs. Winner's markets as well as by "heightened competition" among fast-food chicken chains and high broiler prices through much of the year. Expansion into new territories has been halted, the company said, as it seeks to boost sales and widen margins.

Hussung also said a fourth-quarter advertising campaign has proved successful in building breakfast sales in several markets.

In the company's 56 franchised Wendy's outlets, same-store sales were up 8% on the year and down 7% in the final quarter.

FOOD COSTS EASE IN JANUARY

(Selected Data Annual Per Cent Change)



Source: U.S. Labor Department, Producer Price Index

WALL STREET UPDATE

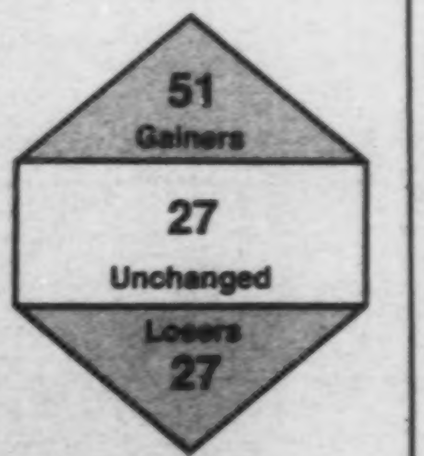
Index slips 0.5 to 118.9; winners beat losers 2-1

NEW YORK — The Nation's Restaurant News stock index dipped one-half point in the week ended March 1 to close at 118.9.

The slight decline contrasted with a surge in activity in the stock market as a whole. The Dow Jones Industrial Average closed at a record 1,299.36 on Friday, a gain of 15.35 points in the week. The Government announced Friday that leading indicators of economic activity rose 1.7% in January, the largest gain since March 1983, confirming that economic expansion was continuing at a steady pace.

Despite the drop in the 87-item food-service operators index last week, issues advancing in price outnumbered declining issues, 51 to 27, with 27 unchanged, on the broader, 105-stock listing that includes lodging and diversified companies.

Among the leading price gainers last week was Rax Restaurant, up



(See INDEX, page 172)

Labor Dept.: Food costs up slightly

WASHINGTON — Restaurant industry food costs eased significantly in January as the Producer Price Index for Finished Consumer Foods charted a meager 0.7% annual increase, the U.S. Labor Department said.

January's fractional rise followed December's 3.8% annual rate and November's 4% rate.

Price drops from figures a year ago for beef, pork, poultry, eggs and most vegetables led the cost relief. Fish prices, however, rose 20% from what they were a year ago.

Cost cutting triples Mr. Steak's net

DENVER — Mr. Steak officials said they were able to more than triple net profit in recently completed first quarter through cost-cutting maneuvers.

The 225-unit midpriced steakhouse chain said it netted $141,000 in the first quarter ended Dec. 30, compared with $44,000 of net profit in last year's first quarter.

First quarter revenue dipped 4% to $14.7 million as sales from Mr. Steak's meatpacking plant, which the company hopes to sell, declined 14% to $5.6 million.

"The cost-cutting measures implemented after last year's disappointing results," said president Mike Fuller, "have contributed to the return to profitability, despite the decrease in revenues."

Fuller, who was named president in September, added, "We are optimistic about being able to improve restaurant revenues."

Rax posts 2nd qtr. loss of $537,000

COLUMBUS, Ohio — Rax Restaurants reported a net loss of $537,000 for the second quarter ended Jan. 28, compared to a net profit of $655,000 for the year earlier period. Revenue rose 7%, to $25 million.

For the six-month year-to-year period, the company notched net income of $339,000, down 84% from last year. Revenue was $54.2 million.

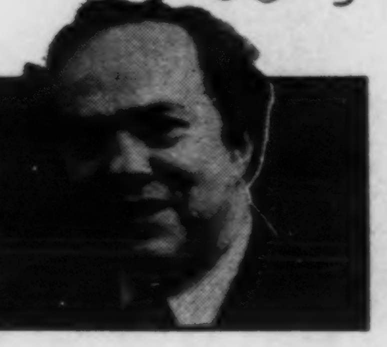
The 388-unit chain said sales were hurt by "unfavorable weather conditions" and lower-than-average volumes at new units in new markets.

C5150-5

Bill Edwards battles for lodging industry
—Focus/F3-6

The mettle that helps entrepreneurs succeed
—Page 16

A barrel of a tasting at The Four Seasons
—Focus/F8



Nation's
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Hilton ban dims Atlantic City's future

Operators may drop casino plans

By Peter Romeo

ATLANTIC CITY — The state Casino Control Commission's refusal to grant a gaming permit to Hilton Hotels Corp. will severely handicap future development here, said observers.

Prospective new entrants are expected to drop their plans rather than face a licensing process that many said has grown more arduous and political.

Hilton, meanwhile, will likely sell its $308 million casino-hotel here because of the denial. Observers said the buyer could be Resorts International, whose gaming permit was renewed despite payments by three advisers to the prime minister of the Bahamas.

Hilton was denied a license largely because of past dealings with attorney Sidney R. Korshak, an alleged adviser to Chicago mob figures. He has never been convicted of a crime and is a member in good standing of the Illinois Bar.

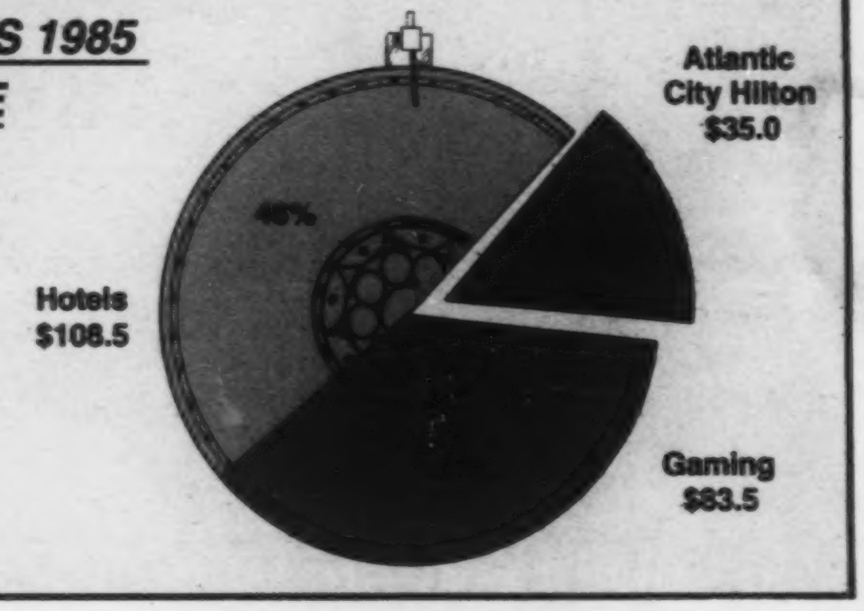
Hilton chairman Barron Hilton maintained that the hotel would even-

*(See **HILTON**, page 42)*

EFFECT ON HILTON'S 1985 OPERATING INCOME

(Total Operating Income Without A. C. Casino = $192 Million)

(In Millions)



Source: Montgomery Securities estimate

Marriott to run Farrell's again

By Alan Liddle

SAN FRANCISCO — Marriott will acquire a minority interest in the troubled 73-unit Farrell's restaurant-ice cream parlor chain it sold in 1982 and will take over the company's front office duties, *Nation's Restaurant News* has learned.

Bernstein on the lessons of Farrell's past and present, page 7

Alex Hehmeyer, Farrell's legal counsel, said the chain will move its headquarters from San Francisco to Bethesda, Md., where Marriott is based. He said that out of 2,500 Farrell's employees, only 24 administrative staffers from San Francisco will be laid off.

A final management agreement between the two companies was to have been signed as this issue went to press.

FARRELL'S
ICE CREAM PARLOUR
RESTAURANT

The Marriott deal should cut Farrell's food costs and reduce administrative expenses.

In return for handling payroll, bookkeeping, acting as an operations consultant and using its size to give Farrell's an advantage in purchasing, Marriott will be paid cost plus ½% of sales.

Hehmeyer indicated the Marriott deal could cut Farrell's food costs by 1% and reduce its administrative and restaurant supervision ex-

*(See **FARRELL'S**, page 51)*

Saigh tells Senate: Don't sink the SBA

By Ken Rankin

WASHINGTON — The Reagan Administration's plan to abolish the Small Business Administration would slam the door on entrepreneurial innovation in the food-service industry and promote greater market concentration by "giant fast-food chains," independent Missouri restaurateur William Saigh warned Congress.

Testifying in cooperation with the National Restaurant Association, Saigh told the Senate Small Business Committee that food service is already "the toughest damned business in America to survive in," and that the Administration's proposal to eliminate Federally subsidized SBA financing programs would make it even more difficult for independents to compete with large corporate chains.

Stockman scores SBA loans to restaurants, page 3

Saigh, who opened his first Lettuce Leaf salad restaurant eight years ago with a $50,000 direct SBA loan, told Congress his five-unit chain would not be in existence now without support from that agency.

"I walked into . . . 17 banks and said that I wanted to open

*(See **SBA**, page 51)*

INSIDE *NRN*

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U.S. chefs learn from their Roman counterparts. . . . 13

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Chicago restaurateur adds to River Plaza menu 21

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Telbero examines

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NEWSPAPER

Smith buys into Chinese fast feeder

WESTMONT, Ill. — Donald N. Smith has acquired a 10% equity position in Xian, a two-unit Chinese fast-food operation, in exchange for limited consulting work for the founder, Chicago cardiologist Dr. Antonio Q. Chan.

The 43-year-old Smith, who was ousted in January as Diversifood's president, holds the titles of board vice chairman and strategic planning and development director at Xian. But a longtime aide emphasized that Smith "is not going to personally administer or manage this business. He is not going to have any direct day-to-day responsibilities" in Xian.

Meanwhile, Anthony Cervini, former operations vice president at Diversifoods, was named president and chief operating officer of the 18-month-old Xian, which specializes in fast-service, American-style Chinese food, such as chow mein and chop suey.

Since Smith left Diversifoods, he has been scouting for

*(See **SMITH**, page 51)*

Don Smith

California mulls ending happy hours

NRN West Coast Bureau

SACRAMENTO, Calif. — Under legislation introduced March 6 that could become law next Jan. 1, California would become the first state to enact a statutory—as opposed to regulatory—ban of "happy hour" drink promotions. Drink-price incentives have been restricted in at least 14 other states, including six that have imposed outright bans.

Patterned after a similar measure adopted in Massachusetts, the California bill "has an excellent chance of carrying" in the state Senate, said co-author Sen. John Seymore (R-Calif.). Its fate in the state Assembly could depend

*(See **HAPPY HOUR**, page 51)*

Bobby McGee's develops downscale spinoff

PHOENIX — Bobby McGee's U.S.A. Inc., the operator of specialty dinnerhouses located primarily in the Southwest, is expected to unveil a new concept by July 1.

John Schwimmer, executive vice president of the 16-unit, privately held chain, described the theme as a "downscale Bobby McGee's" that may eventually expand nationally through franchising and management contracts.

The concept, which is being developed by an "affiliated company" called Muncy's U.S.A., will place more of an emphasis on food than Bobby McGee's does, said Schwimmer in an interview. Muncy's, he added, has essentially the same management team as McGee's.

It will feature hamburgers, chicken, seafood and salads and have average per-person checks of $6 to $8, considerably lower than those at Bobby McGee's.

The 13-year-old McGee's chain, founded by entrepreneur Bob Sikora, who remains as its president and chief executive officer, has positioned itself as primarily a food-and-fun operation. Its service staff is dressed in a variety of costumes depicting comical and historical characters, and its units have large dance floors in the lounge area, an indication that the chain places an emphasis on liquor sales.

The menu features prime rib, steaks, seafood and a salad bar set in a 9-ft. bathtub. The average check is between $12.50 and $13 at the dinner-only restaurants.

Corporate executives said that last year Bobby McGee's had sales of about $45 million, which represents a 10% increase over those of the previous year. The company's board has set a sales-growth target of between 12% to 15% for 1985.

To achieve that goal, Schwimmer said, the company this year plans to open two freestanding Bobby McGee's units in San Jose and Newark, Calif. Each will seat 400 people. In addition, its unit in neighboring Scottsdale, where the first McGee's was opened in 1971, will move to a residential section of the community, where most of the area's growth is anticipated.

Robert Sikora
president

John Schwimmer
executive vp

While locations for the Muncy's prototype have not been announced, company officials said there will be two units (the first will open July 1) in operation this year at a cost of $2 million each in construction costs. That contrasts with $3 million for each new Bobby McGee unit.

Mrs. Winner's

Winners Corp. net profit dropped 43% in 1984 as a result of increased competition.

Porter-Shirley new vp at Mrs. Winner's

By Don Jeffrey

BRENTWOOD, Tenn. — Chuck Porter-Shirley, a veteran of the chicken segment leader Kentucky Fried Chicken, has taken charge of operations as executive vice president at up-and-coming 184-unit competitor Mrs. Winner's.

Porter-Shirley joins this Tennessee-based public company, which also franchises Wendy's, after a year in which net profit decreased 43%, to $1.6 million, as a result of increased competition in its markets and higher costs.

The 46-year-old executive says his priority will be "to put in some operational systems and [the] organization we need to continue long-term growth." He also says he is "concentrating on sales-building programs."

As a KFC vice president of operations—overseeing a region stretching from Louisville, Ky., to Texas—Porter-Shirley was involved in that chain's successful rollout of chicken nuggets last year.

Winner's is now testing its own nuggets product, which chief executive and president M. V. Hussung Jr. recently called a "defensive" tactic. Consumer demand has forced many chicken chains to introduce nuggets since McDonald's popularized the product through intensive marketing.

Stepped-up breakfast and lunch programs of the fast-service hamburger, chicken and reduced-calorie chains in Winner's key markets contributed to its slow sales growth. Winners has a strong

(See *WINNER'S*, page 51)

Roy Rogers licensee tests dinner specials

By David Zuckerman

HARRISBURG, Pa. — While Marriott-owned Roy Rogers professes no systemwide plans to tackle dinner at this time, a 12-unit franchisee—operating with company approval—has begun marketing packaged dinner specials at its Roy Rogers outlets in eastern Pennsylvania.

Davenports, the franchisee, which last year rolled out breaded fish for the Lenten season, is now offering a "Build-a-Dinner at Roy Rogers" special that twins a fried chicken or fish entrée with a choice of french fries, stuffed baked potato or a salad.

Priced at $2.79, the offer knocks about $1 off the standard menu price of those items if purchased separately.

"We're just running this experimentally," said president Steve Davenport. "The arrangement is between myself and Marriott."

A Marriott spokesman confirmed that Davenports' dinner experiment is being conducted with company approval, adding that neither the dinners nor the breaded fish are part of any chainwide plan.

"Some of our larger franchisees are permitted to try different things," the spokesman said. "All these programs, however, must go through Mariott's director of operations."

BUILD-A-DINNER
AT ROY ROGERS
Roy Rogers
2.79

Recent "Build-a-dinner" ad.

COMMODITIES

Coffee prices tumble as supply concerns diminish

By Gary S. Friedman

Mirroring the volatility of all commodity markets in general, coffee prices have tumbled after a sharp run-up fueled by concerns over world export supplies.

Brazil, forced to satisfy domestic demand before entering the world markets, was undershipping 20% to 25% of its world coffee quota, as set by the International Coffee Board. Last month the Brazilian Coffee Board attempted to once again become competitive in world markets by lowering its own domestic prices and then trading above the world market levels and, to satisfy its important domestic demand for coffee, released its coffee reserves through auction.

Analysts were divided over its effectiveness, with some expecting prices to stay high, with a to-be-expected price hike passed to the wholesale and retail levels.

Today March futures prices are trading around 1.40-per-lb. against as high as 1.52 only a few weeks ago. Cash prices today are approximately 1.30 against 1.37 during the same period. The spread between the two prices, cash and futures, has narrowed considerably and returned to its more traditional range.

The Brazilian auctions were successful in driving the domestic price downward. To further encourage Brazilian exports, the Brazilian Coffee Board altered its export controls. The board granted incentives to exporters who shipped up to 45% of their annual volume in the first quarter. The expected incentive was given for the first 10% with a premium on the remaining 35%. That intervention into the marketplace was worth as much as 10¢ a pound to exporters. As a result, much more coffee went into the international market, especially to Europe.

The logical question is whether or not the wholesale and retail price of coffee will reflect the lowered prices and increased supplies now in the marketplace.

The answer lies in the market's expectations of future supply. The International Coffee Board has set the current world quota at 60 million bags of coffee. If the cash price stays at below $1.30 per pound for more than 15 days, the quota will be reduced to 59 million. In such an event the Brazilian quota loss will be "forgiven," since the quota is applied retroactively to the slack in undershipment.

The last time the quota was reduced was in December 1984, when the price fell below 1.35 for more than 15 days. After the reduction prices went up as supply fell. Fueled by bad weather in Brazil and uncertainty about the Central American crop, domestic prices in Brazil and world prices went to unexpected levels.

PRICE MOVEMENT AT A GLANCE

	March 3, 1985	Year Ago
Beef, 700-900 lb. Mid-U.S., lb. f.o.b.	$0.95	$1.04
Broilers, dressed "A" N.Y. lb.	$0.5317	$0.6510
Butter, AA Chgo lb.	$1.41½	$1.41¼
Eggs, lrg white, Chgo dz.	$0.58-61	$0.90
Flour, HRW, KC, cwt.	$9.80	$9.80
Hams, 17-20 lb., Mid-U.S., lb. f.o.b.	$0.71	$0.66
Potatoes, rnd white, 50 lb., f.o.b. Maine	$2.25	$3.82½

Source: *NRN* Research

NRN Index resumes eight-week climb as Dow slips

(Continued from page 54)

post a fourth-quarter loss, was down $1, to $13. McDonald's lost $2.88, to $59, after a Wall Street analyst lowered his rating to "hold."

With the DJIA trading 11.40 points higher than a year ago, the *NRN* Index has outperformed the leading market barometer by about 11% over the past 12 months.

International King's Table, up $3 to a 52 week high of $24.75, and Kelly-Johnston, up 13¢ to $1.19, were ranked second and third on the price winners' list. IKT has agreed to buy the Duff's cafeteria chain from financially strapped Kelly-Johnston.

Good Taco, the week's leading winner, ceased restaurant operations in December.

Calibre Corp. led the losers' list, down 38¢ to $1. Brock Hotel, which said it expected heavy losses in the latest quarter, lost 50¢, to $3.

Other losers included Capt. Crab, off 25¢, to $2.13; Sis Corp., down 50¢, to $4.50; Victoria Stations, down 38¢, to $3.63; Beefsteak Charlie's, down 25¢, to $2.50; Consolidated Products, which owns Steak n Shake, down 38¢, to $4.63.

Among the price winners, G. D. Ritzy's rose 25¢, to $2.75, and Benihana National, was up $1.88, to $21.13, after flirting midweek with its 52 week high of $21.75.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Bob Evans Farms	339.8	Benihana Natl	147.5
Marcus Corp	280.6	Dunkin Donuts	141.9
Piccadilly Caf	203.9	Good Taco	134.5
El Chico	169.9	Ogden Corp	128.1
Hilton Hotels	162.6	Ponderosa Sys	124.0

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Good Taco	37.5	1 Potato 2	7.7
Intl King Tab	13.8	So Hospitality	7.3
Kelly-Johnston	11.8	Horn & Hardart	7.1
Ritzys G D	10.0	Hungry Tiger	7.0
Benihana Natl	9.7	Nathans	6.7

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Calibre Cp	- 27.3	Victoria Stations	- 9.4
Brock Hotel Cp	- 14.3	Beefsteak Char	- 9.1
Peoples Rest	- 11.1	Consol Prdts	- 7.5
Capt Crab	- 10.5	Ponderosa Sys	- 7.1
SIS Cp	- 10.0	Allegheny Bev	- 6.7

	Stock Market											Financial Update																	
	Price							Volume					Indicated		Latest Report			Latest Quarter						Year-to-Date					
	3-08-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ..... M	6.00	.38	6.7	6.50	5.50	7.50	3.50	416	1.17	.92	27.2	18.8	.00	.0	NEW	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests ..... O	4.13	- .13	- 2.9	4.38	4.13	5.00	3.50	163	.66	.62	6.5	16.5	.00	.0	.....	fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest ..... O	4.13	.00	.0	4.38	4.13	6.00	2.38	65	.29	.96	- 69.8	21.7	.00	.0	NEW	9 mos.	10-84	4.6	17.9	.1	.0	.02	- 60.0	13.6	25.9	.3	.0	.12	- 40.0
Assoc Hosts ..... M	13.38	- .13	- .9	13.88	13.00	17.13	10.50	1,159	2.62	2.64	- .8	16.1	.12	.9	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char ..... A	2.50	- .25	- 9.1	2.88	2.50	4.63	1.75	269	.47	.86	- 45.3	NE	.00	.0	.....	fiscal	10-84	23.5	7.8	(6.3)	NE	(1.13)	- 100.0	92.2	- 3.2	(8.0)	NE	(1.43)	- 100.0
Benihana Natl ..... M	21.13	1.88	9.7	21.75	19.38	21.75	6.00	3,122	10.74	4.34	147.5	27.8	.00	.0	.....	9 mos.	12-84	15.4	208.0	.7	75.0	.23	64.3	39.7	166.4	1.8	63.6	.62	47.6
Bob Evans Farms ..... M	19.75	.63	3.3	20.00	19.00	20.25	14.75	7,361	4.53	1.03	339.8	19.2	.30	1.5	.....	6 mos.	10-84	58.1	12.6	4.6	9.5	.28	12.0	112.1	13.3	9.0	8.4	.55	10.0
Calibre Cp ..... M	1.00	- .38	- 27.3	1.38	1.00	9.00	1.00	93	.31	.53	- 41.5	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food ..... M	13.00	.75	6.1	13.25	12.25	13.00	7.25	1,331	2.93	2.99	- 2.0	20.6	.16	1.2	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab ..... M	2.13	- .25	- 10.5	2.38	2.00	6.13	1.38	2,435	1.59	1.45	9.7	NE	.00	.0	.....	fiscal	08-84	1.7	466.7	(.4)	NC	(.03)	NE	5.4	260.0	(1.0)	NC	(.08)	NE
Carrols Cp ..... N	10.63	- .50	- 4.5	11.25	10.50	11.50	7.13	485	.62	1.13	- 45.1	15.2	.07	.7	.....	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's ..... M	11.00	- .25	- 2.2	11.25	10.63	18.25	10.00	7,423	2.76	4.30	- 35.8	16.4	.00	.0	.....	6 mos.	10-84	52.3	40.6	4.5	2.3	.16	- 15.8	97.5	34.1	9.5	18.8	.35	2.9
Chili's inc ..... M	24.00	- .38	- 1.5	24.25	23.75	25.63	12.75	1,448	3.22	2.46	30.9	35.3	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch ..... N	35.88	- .88	- 2.4	36.88	34.63	37.00	21.38	3,013	1.60	2.20	- 27.3	15.9	.80	2.2	.....	fiscal	12-84	189.8	25.0	14.5	79.0	.77	140.6	545.3	20.0	42.6	34.8	2.26	36.1
Collins Foods ..... N	19.88	- .88	- 4.2	20.88	19.75	22.13	9.91	479	.55	1.98	- 72.2	15.5	.16	.8	.....	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev ..... O	8.38	.38	4.7	8.75	8.00	17.69	5.75	134	.26	1.65	- 84.2	16.1	.00a	.0	.....	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts ..... M	4.63	- .38	- 7.5	4.75	4.63	8.63	4.63	32	.09	.40	- 77.5	13.2	.08	1.7	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant ..... M	5.38	- .13	- 2.3	5.50	5.13	13.50	4.50	420	.93	2.40	- 61.3	89.6	.00	.0	.....	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel ..... M	14.00	- .25	- 1.8	14.00	13.50	23.50	11.75	773	2.17	1.31	65.6	16.9	.14	1.0	NEW	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc ..... O	5.25	.00	.0	5.75	5.25	5.25	2.75	61	.35	.68	- 48.5	40.4	.00	.0	.....	3 mos.	09-84	1.7	142.9	.0	- 100.0	.03	.0	1.7	142.9	.0	- 100.0	.03	.0
Diversifoods ..... M	9.88	.25	2.6	10.25	9.50	16.75	8.00	40,073	11.89	6.69	77.7	18.3	.34	3.4	.....	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer ..... M	12.75	.75	6.3	12.75	12.00	15.50	10.88	1,795	3.56	3.93	- 9.4	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts ..... M	27.13	.00	.0	28.00	27.13	28.00	18.38	2,965	6.24	2.58	141.9	13.9	.32	1.2	.....	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico ..... M	10.63	.38	3.7	10.88	10.00	10.88	7.25	1,832	3.94	1.46	169.9	13.6	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest ..... N	14.13	- .50	- 3.4	14.63	14.00	14.88	9.13	471	.43	.86	- 50.0	14.6	.00	.0	.....	fiscal	12-84	61.1	13.6	2.1	16.7	.19	35.7	250.1	18.7	11.1	29.1	.97	42.6
Fast Food Oper ..... O	.75	.00	.0	0.88	0.75	1.81	.69	335	.57	.87	- 34.5	10.7	.00	.0	NEW	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes ..... M	8.13	.25	3.2	8.13	7.75	9.13	5.13	1,704	2.44	2.52	- 3.2	NE	.00	.0	NEW	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Fresher Cooker ..... O	3.00	.00	.0	3.38	3.00	6.75	3.00	78	.46	.45	2.2	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's ..... A	20.00	.00	.0	20.13	19.38	20.88	12.00	32	.07	.18	- 61.1	17.2	.22	1.1	.....	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc ..... M	10.88	- .25	- 2.2	10.88	10.13	16.25	8.50	2,775	4.27	3.75	13.9	NC	.00	.0	.....	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot ..... M	2.31	- .06	- 2.6	2.38	2.19	6.38	1.63	393	.66	2.49	- 73.5	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ..... M	.69	.19	37.5	0.75	0.44	4.50	.25	1,752	5.91	2.52	134.5	NE	.00	.0	.....	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet ..... O	13.75	.00	.0	14.50	13.75	14.50	9.75	2	.03	.17	- 82.4	11.9	.00	.0	.....	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16	NE
Hungry Tiger ..... M	5.75	.38	7.0	5.88	5.38	7.50	3.63	1,121	3.89	1.86	109.1	30.3	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen ..... O	46.50	1.00	2.2	48.50	46.50	50.50	33.00	21	.10	.25	- 60.0	13.0	.00	.0	.....	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab ..... M	24.75	3.00	13.8	25.50	21.50	24.75	11.59	1,772	6.22	3.48	78.7	18.6	.00a	.0	.....	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	20.0	19.2	6.7	1.1	37.5	.36	20.0
JB's Rest ..... M	20.00	- 1.13	- 5.3	21.13	19.50	21.50	10.38	1,351	5.82	4.32	34.7	16.1	.20	1.0	.....	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc ..... M	18.50	- .88	- 4.5	19.00	18.50	19.38	13.00	7,163	4.54	3.36	35.1	13.4	.12	.6	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp ..... A	2.63	- .13	- 4.5	3.13	2.63	4.00	1.13	270	1.20	.78	53.8	NE	.00	.0	.....	fiscal	09-83	3.1	72.2	(4.0)	NE	(.33)	NE	12.3	7.9	(2.1)	NE	(1.29)	NE
Karcher Carl ..... M	17.75	- .75	- 4.1	18.25	17.50	29.63	13.50	563	.80	3.15	- 74.6	10.6	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston ..... M	1.19	.13	11.8	1.31	1.06	8.00	.75	1,552	1.82	5.40	- 66.3	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ..... N	29.63	- .38	- 1.3	30.00	29.38	32.00	23.63	159	.13	.52	- 75.0	20.7	.54	1.8	.....	fiscal	08-84	48.7	23.6	5.0	28.2	.41	173.3	174.9	21.4	17.4	25.2	1.43	24.3
Marcus Corp ..... M	16.25	.38	2.4	16.50	15.75	16.25	11.88	696	1.37	.36	280.6	11.1	.28	1.7	.....	6 mos.	11-84	30.2	4.5	2.0	.0	.39	5.4	63.7	3.6	4.8	2.1	.94	3.3
Marriott Corp ..... N	81.88	- 3.38	- 4.0	86.00	81.00	86.38	58.50	1,422	.55	.72	- 23.6	16.3	.54	.7	.....	fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest ..... O	2.75	.00	.0	2.88	2.75	6.25	2.25	5	.01	.55	- 98.2	16.2	.00	.0	.....	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's ..... O	4.63	- .13	- 2.6	5.00	4.50	6.88	2.50	200	1.11	1.11	.0	NE	.00	.0	.....	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp ..... N	59.00	- 2.88	- 4.6	62.25	58.50	62.38	40.84	10,952	1.26	1.17	7.7	13.8	.82	1.4	.....	9 mos.	09-84	784.8	- 4.1	114.3	13.6	1.30	16.1	2395.1	7.6	297.9	13.4	3.37	15.4
Morrison Inc ..... M	19.25	.38	2.0	19.50	18.88	19.25	13.13	4,151	3.02	1.63	85.3	12.8	.48	2.5	.....	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak ..... O	2.88	.13	4.5	3.13	2.88	3.25	1.13	1,257	2.62	1.30	101.5	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express ..... O	1.50	.00	.0	1.88	1.50	2.50	1.00	60	.27	1.12	- 75.9	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans ..... O	4.00	.25	6.7	4.25	3.88	4.50	1.78	306	1.37	1.92	- 28.6	16.0	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza ..... M	8.75	.00	.0	8.88	8.75	9.75	7.50	33	.06	.21	- 71.4	9.7	.00	.0	.....	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc ..... M	5.13	- .25	- 4.7	5.25	5.00	10.50	4.88	831	1.86	5.95	- 68.7	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 ..... O	1.75	.13	7.7	2.00	1.63	12.25	1.63	163	.74	1.70	- 56.5	35.0	.00	.0	.....	6 mos.	08-84	3.3	NC	(.6)	NC	(.25)	NC	7.1	NC	(1.0)	NC	(.44)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

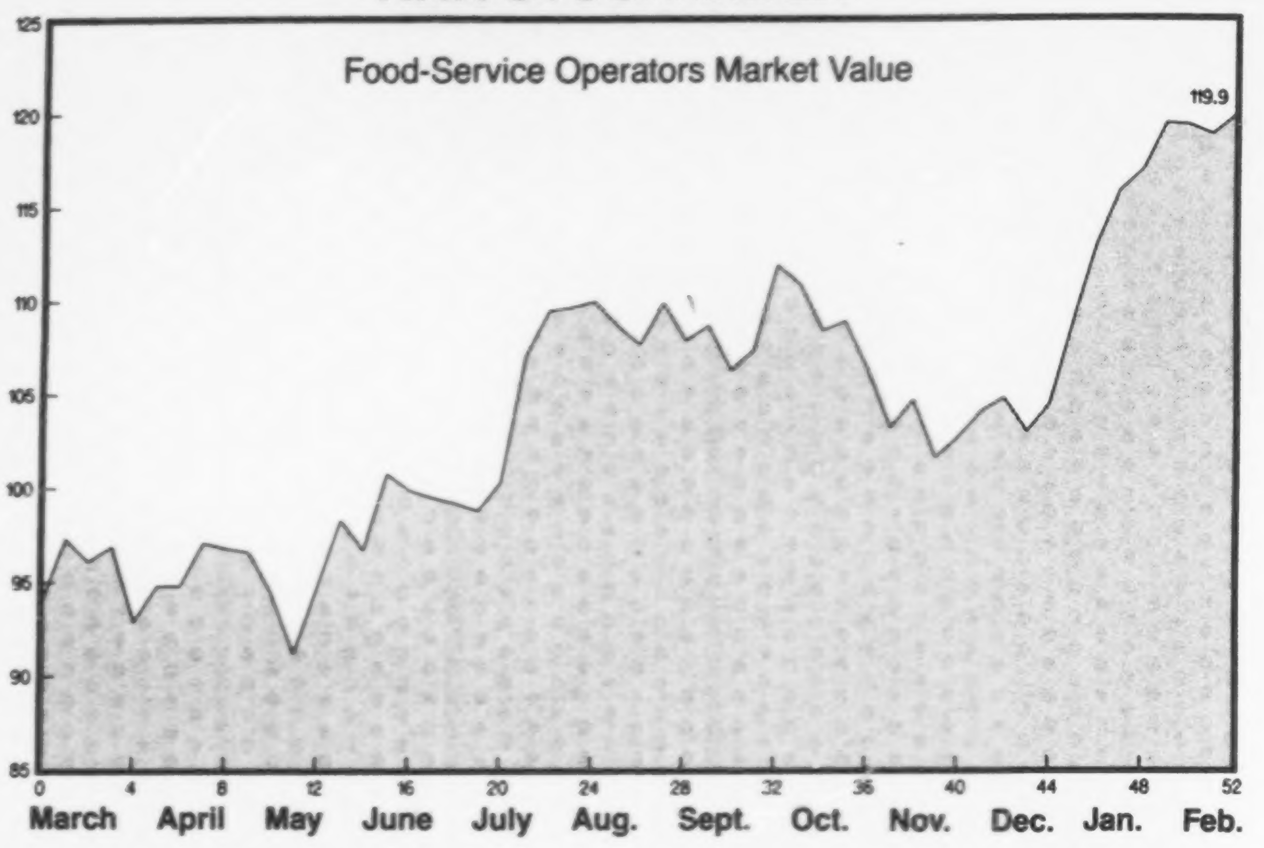
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

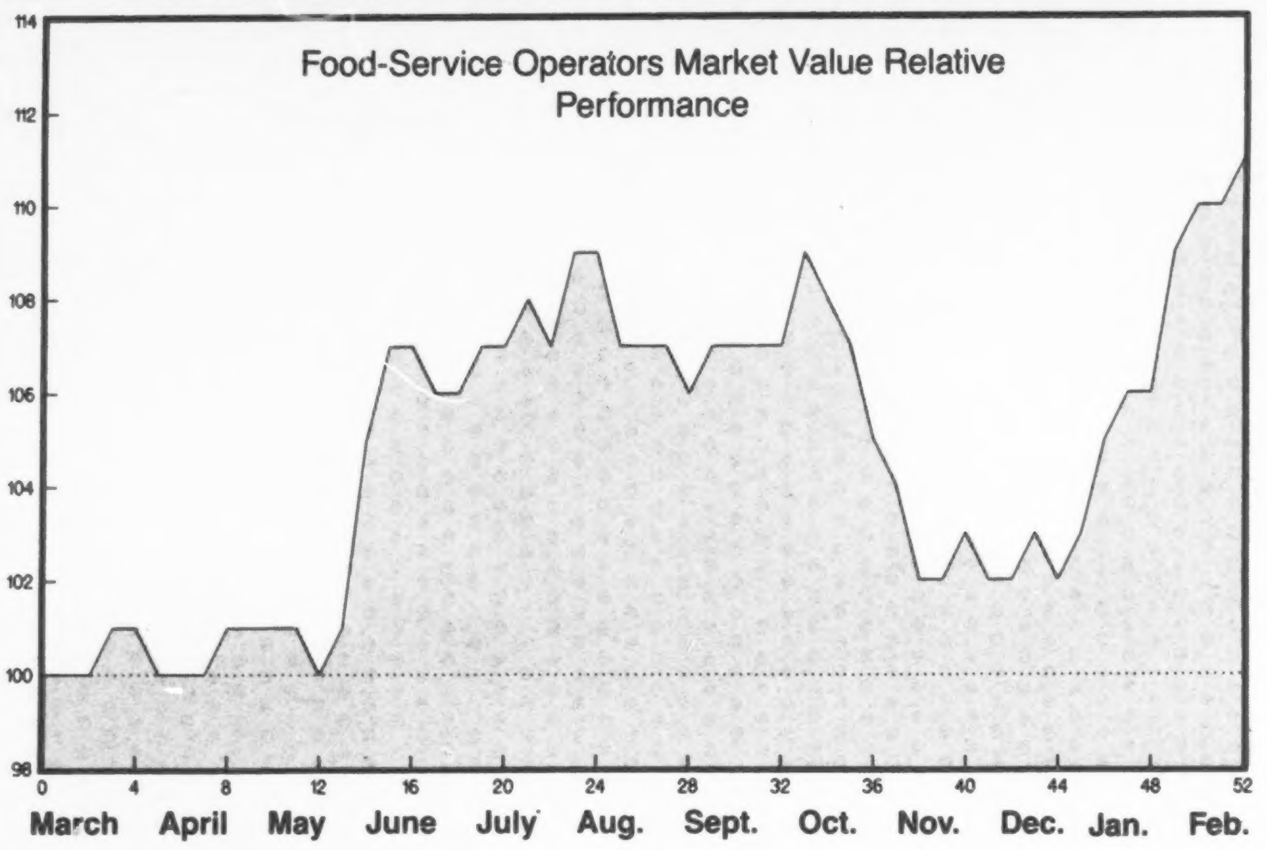
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



Source: Media General Financial Services

	Stock Market											Financial Update																	
	Price							Volume																					
													Indicated		Latest Report			Latest Quarter						Year-to-Date					
	3-08-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd ..... O	5.00	.00	.0	5.50	5.00	6.25	4.00	33	.24	.39	- 38.5	9.8	.00	.0	.....	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet ..... M	7.38	- .25	- 3.3	7.63	7.13	8.25	5.88	2,263	8.34	5.79	44.0	13.2	.13	1.8	.....	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest ..... M	.50	- .06	- 11.1	0.63	0.38	4.88	.25	2,257	2.62	6.31	- 58.5	NE	.00	.0	.....	3 mos.	09-84	8.3	- 30.3	(3.3)	- 100.0	(.39)	- 100.0	8.3	- 30.3	(3.3)	- 100.0	(.39)	- 100.0
Piccadilly Caf ..... M	23.25	- .75	- 3.1	24.00	23.25	24.25	16.13	3,326	5.50	1.81	203.9	13.4	.60	2.6	.....	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn ..... A	9.38	- .63	- 6.3	10.00	9.38	12.75	6.88	188	.62	1.14	- 45.6	9.0	.08	.9	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks ..... M	11.13	.00	.0	11.75	11.00	16.63	8.75	781	1.77	1.02	73.5	15.5	.00	.0	NEW	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys ..... N	13.00	- 1.00	- 7.1	15.00	12.25	22.88	11.50	7,801	8.13	3.63	124.0	7.6	.40	3.1	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc ..... O	3.50	.00	.0	3.75	3.50	5.13	2.38	368	1.09	1.45	- 24.8	NE	.00	.0	.....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants ..... M	9.50	.50	5.6	9.50	8.75	16.75	8.00	511	.81	1.53	- 47.1	14.0	.00	.0	.....	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc ..... A	8.00	- .50	- 5.9	8.75	8.00	8.88	5.38	212	.76	1.32	- 42.4	11.0	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys ..... M	15.88	.38	2.4	16.50	15.25	16.25	9.00	417	1.80	1.22	47.5	17.8	.00	.0	.....	fiscal	12-84	8.5	13.3	.5	25.0	.21	23.5	36.4	23.0	2.1	50.0	.89	23.6
Ritzys G D ..... M	2.75	.25	10.0	2.88	2.38	9.00	1.75	1,903	3.67	1.76	108.5	NE	.00	.0	.....	9 mos.	09-84	4.4	83.3	(.5)	NE	(.11)	NE	10.6	103.8	(1.6)	NE	(.31)	NE
Rusty Pelican ..... M	14.25	.00	.0	14.50	14.00	18.25	11.00	86	.30	2.53	- 88.1	19.0	.00	.0	.....	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak ..... M	17.25	- .50	- 2.8	17.50	17.00	17.75	10.84	896	1.39	2.10	- 33.8	33.8	.00	.0	.....	fiscal	12-84	9.3	66.1	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp ..... N	30.38	- .88	- 2.8	31.38	30.00	35.50	25.88	1,091	.84	1.91	- 56.0	11.9	.52	1.7	.....	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef ..... O	8.50	- .25	- 2.9	8.75	8.50	11.25	6.75	190	1.52	.96	58.3	13.9	.00	.0	.....	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley ..... M	8.25	.25	3.1	8.25	7.88	11.00	6.50	2,876	7.32	5.33	37.3	NE	.00	.0	.....	9 mos.	09-84	15.7	- 14.2	3.0	NE	.76	- 17.4	48.3	- 11.9	5.3	NE	1.35	1587.5
Shoney's Inc ..... M	27.13	1.63	6.4	27.13	25.25	27.88	16.22	5,961	2.11	1.44	46.5	18.7	.15	.6	.....	fiscal	10-84	109.8	11.2	8.3	31.7	.65	170.8	469.8	19.6	30.2	29.1	1.45	64.8
Shoney's South ..... M	15.38	- .13	- .8	15.50	15.00	16.59	11.00	183	.33	1.15	- 71.3	13.0	.00	.0	.....	9 mos.	09-84	40.1	14.2	1.8	12.5	.32	23.1	127.3	17.2	5.8	48.7	1.00	19.0
SIS Cp ..... O	4.50	- .50	- 10.0	5.00	4.50	8.50	3.25	89	.57	.99	- 42.4	NE	.00	.0	.....	9 mos.	09-84	2.1	61.5	(.1)	- 100.0	(.02)	- 100.0	5.6	86.7	(.1)	- 100.0	(.05)	- 100.0
Sizzler Rest Intl ..... M	18.75	- .75	- 3.8	19.75	18.75	20.00	9.25	719	1.06	.99	7.1	15.0	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers ..... M	11.75	- .25	- 2.1	12.00	11.50	12.13	8.00	775	2.84	1.82	56.0	12.6	.06	.5	.....	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality ..... M	5.50	.38	7.3	5.75	5.25	5.88	3.75	1,787	3.73	4.16	- 10.3	15.7	.00	.0	.....	6 mos.	11-84	10.3	18.4	.4	33.3	.08	14.3	21.0	25.7	.8	33.3	.16	14.3
Taco Viva ..... M	10.00	.00	.0	10.25	10.00	11.25	7.00	275	1.20	1.30	- 7.7	18.9	.00	.0	.....	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's ..... N	10.88	- .75	- 6.5	11.75	10.75	13.13	7.88	497	.44	1.11	- 60.4	16.7	.00	.0	.....	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas ..... O	2.25	.00	.0	2.75	2.25	3.75	2.25	12	.08	.26	- 69.2	NE	.00	.0	.....	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld ..... N	35.25	- .88	- 2.4	36.25	35.13	37.63	24.50	9,029	2.76	2.56	7.8	11.2	.40	1.1	.....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes ..... M	5.25	.00	.0	5.50	5.13	5.75	2.75	1,980	3.15	3.02	4.3	15.0	.14	2.7	.....	3 mos.	12-84	4.6	15.0	.4	- 20.0	.07	- 30.0	4.6	15.0	.4	- 20.0	.07	- 30.0
Vicorp Restaurants ..... M	25.00	- .75	- 2.9	26.25	24.50	26.25	13.25	4,066	6.12	4.22	45.0	18.9	.12	.5	.....	fiscal	10-84	87.2	143.6	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations ..... M	3.63	- .38	- 9.4	3.88	3.50	8.00	2.13	570	1.61	4.73	- 66.0	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl ..... N	21.75	- .75	- 3.3	23.00	21.50	23.00	13.13	11,735	2.14	2.48	- 13.7	17.4	.28	1.3	.....	fiscal	12-84	249.9	27.0	17.6	18.9	.32	18.5	944.8	32.1	68.7	24.5	1.25	23.8
Wstn Steer ..... M	10.25	.25	2.5	11.00	10.00	12.00	9.00	38	.31	.45	- 31.1	18.0	.20	2.0	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp ..... N	7.00	- .38	- 5.1	7.50	7.00	13.38	5.13	422	.94	1.04	- 9.6	18.9	.00	.0	.....	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp ..... N	3.00	- .50	- 14.3	3.63	2.63	6.63	2.63	2,035	1.54	1.12	37.5	NE	.10	3.3	.....	9 mos.	09-84	60.0	- 26.7	(25.6)	NE	(1.95)	NE	211.0	- 10.6	(26.3)	NE	(1.77)	NE
Hilton Hotels ..... N	58.50	.88	1.5	59.00	55.75	63.38	45.50	9,041	3.65	1.39	162.6	13.5	1.80	3.1	.....	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns ..... N	50.50	- 1.38	- 2.7	52.00	50.13	52.88	35.25	14,879	4.26	4.79	- 11.1	14.1	.90	1.8	.....	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn ..... N	31.25	- .63	- 2.0	32.38	30.75	32.38	16.38	1,575	1.09	1.28	- 14.8	24.4	.12	.4	.....	3 mos.	09-84	47.9	192.1	5.8	26.1	.40	25.0	47.9	192.1	5.8	26.1	.40	25.0
Ramada Inns ..... N	6.88	- .38	- 5.2	7.25	6.75	8.75	5.13	2,847	.77	2.39	- 67.8	22.9	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc ..... M	18.13	- .88	- 4.6	19.25	18.00	22.28	12.28	144	.41	.65	- 36.9	8.5	.00a	.0	.....	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl ..... O	21.00	.00	.0	23.00	21.00	23.00	17.50	2	.01	.07	- 85.7	NE	.40	1.9	.....	9 mos.	09-84	22.6	17.1	(.6)	- 100.0	(.38)	- 100.0	62.1	11.9	(.6)	- 100.0	(.41)	- 100.0
Other Companies with Food-Service Operations																													
Allegheny Bev ..... M	19.00	- 1.38	- 6.7	20.13	19.00	22.63	13.50	816	1.36	2.67	- 49.1	11.4	.40	2.1	.....	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut ..... N	8.25	- .13	- 1.5	8.50	8.13	14.56	7.63	173	.38	.71	- 46.5	NM	.48	5.8	.....	3 mos.	10-84	26.5	- 10.2	.1	- 83.3	.03	- 75.0	26.5	- 10.2	.1	- 83.3	.03	- 75.0
Disney, Walt ..... N	74.88	- 1.63	- 2.1	77.25	74.00	81.13	45.25	6,252	1.85	2.81	- 34.2	61.4	1.20	1.6	.....	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods ..... O	2.25	.13	5.9	2.50	2.00	3.38	1.13	250	1.07	.88	21.6	25.0	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills ..... N	55.00	- .88	- 1.6	56.25	54.63	60.00	45.50	5,771	1.28	1.96	- 34.7	13.2	2.24	4.1	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R ..... N	40.75	- .38	- .9	41.63	40.75	44.50	36.50	4,508	.93	1.06	- 12.3	10.1	2.80	6.9	.....	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart ..... A	11.25	.75	7.1	11.75	10.88	21.19	8.63	3,139	2.54	1.75	45.1	13.7	.00a	.0	.....	9 mos.	09-84	85.8	6.6	.5	- 87.8	.00	- 100.0	265.9	11.1	6.6	- 27.5	.49	- 35.5
Ogden Corp ..... N	31.38	- .38	- 1.2	31.88	30.63	31.88	24.13	4,156	2.19	.96	128.1	15.3	1.80	5.7	.....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc ..... N	48.00	- .50	- 1.0	49.25	47.63	49.25	35.88	10,772	1.15	1.52	- 24.3	14.2	1.68	3.5	.....	9 mos.	09-84	1934.3	8.0	118.3	24.4	1.24	24.0	5425.9	13.3	243.9	17.9	2.57	17.4
Pillsbury Co ..... N	47.88	.75	1.6	48.25	46.88	48.25	33.63	5,968	1.38	1.37	.7	11.1	1.56	3.3	.....	6 mos.	11-84	1256.5	11.7	66.1	26.9	1.52	26.7	2280.0	11.0	105.0	20.8	2.42	21.0
Vie de France ..... M	12.63	- .13	- 1.0	12.88	12.63	15.25	10.50	279	.26	.92	- 71.7	20.7	.23	1.8	.....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Steinberg uses 'junk' bonds to revamp Days Inns

By Rick Telberg

Days Inns, the nation's biggest budget-priced motel chain with 320 properties in 30 states, is undergoing a dramatic restructuring under its new owner, Wall Street financier Saul Steinberg.

Steinberg, a wily takeover artist who at the age of 27 made an unsuccessful run at New York's powerful Chemical Bank in 1969, purchased the Atlanta-based motel chain from the heirs of founder Cecil B. Day last September for $285 million.

Much of his financing was raised through debt securities sometimes called "junk" bonds because they pay higher yields and carry greater risks than traditional corporate bond issues.

Steinberg has put every one of Days Inns' operating assets—its 127 company-owned motels and hotels—on the auction block. In addition, the chain's 240 restaurants, operating next door to the motels mostly as Tasty World and DayBreak restaurants, are undergoing a thorough review that could end in their sale as well.

In just the first three months under Steinberg's Reliance Group, 54 of the chain's 127 company-owned properties were slated for sale to franchisees and investors for $250 million in cash and notes. By this September, the company with traditions once so conservative that it resisted selling alcoholic beverages, may be a motel franchisor and manager, instead of an owner.

With all of the company's $550 million in operating assets sold, Days Inns would be positioned to accelerate growth and increase return on the remaining assets—perhaps a necessity if Steinberg is going to pay off the debt he incurred to buy the chain.

Steinberg's strategy for Days Inns surfaced in documents recently filed with the U.S. Securities and Exchange Commission in Washington. The filing seeks to register $225 million in junk bonds issued to Steinberg's backers when he was assembling the cash to buy the chain. Those backers are now seeking to market their securities, though probably only the biggest and savviest investors will buy.

What are junk bonds? The Days Inns filing, by showing what Steinberg's backers are seeking to market, offers good examples:

- $90 million worth of senior notes, paying four points over the three-month Treasury Bill rate, which is currently about 9%;
- $40 million of three more bond issues, carrying 15.25%, 15.5% and 15.75% coupons, maturing in four to six years;
- $55 million of 17.5% subordinated debt, due in 1996,
- And $40 million in preferred stock, denominated in $100, paying a floating rate now about 11%.

The SEC documents also reveal for the first time that Days Inns' sellers advanced Steinberg $30.3 million to help finance their own buyout.

All this leverage has left Days Inns with a balance sheet showing $29 million of equity and almost $580 million of long-term debt, if the new preferred is counted as debt. For comparison, La Quinta Motor Inns of San Antonio, Tex., a 130-unit budget chain, has about $110 million in equity against $300 million in debt.

But, Steinberg and his backers apparently believe, liquidating assets, accelerating franchising and embarking on management contracts will spell growth enough to pay off the bonds. The documents suggest that Steinberg's strategy could fatten Days Inns' operating margins to about 24% from 11%.

To Steinberg and his backers, it is apparently a risk worth taking.

* * *

STOCK-PICKER'S PICKS: Richard Simon at Goldman, Sachs in New York suggests that proceeds from the sale of hotels could account for half of Holiday Inns' (recent price: $51.50) per-share earnings this year of $8.

Due to bad winter weather in January that cut traffic 10% to 12% and delayed new store openings, John Weiss at Montgomery Securities in San Francisco has shaved his earnings forecast for Chi-Chi's.

Stock plummets

Ponderosa sees $3M 4th qtr. loss

DAYTON, Ohio — Ponderosa Inc. dropped a bombshell on Wall Street when it disclosed that it expected to report a $3 million loss for the fourth quarter ended February, compared to a net profit last year of $3.5 million.

Wall Street returned the fire, blasting $1.75 of Ponderosa's stock price, closing at $12.88, one of the top losers of the day.

Ponderosa, which operates 437 budget steakhouses and franchises 221 to others, said the loss partly reflects the "prolonged and severe periods of snow and extreme cold" in the company's mainstay Midwest markets.

But the company also said that even with good weather the fourth quarter would have been "substantially below" a year ago because of continuing softness in industry sales.

Ponderosa said it expects some recovery this spring but acknowledged that its new fiscal year is already handicapped by tough comparisons with 1985, when breakfast and salad bars were rolled out, and by continuing sluggish sales in the midscale segment.

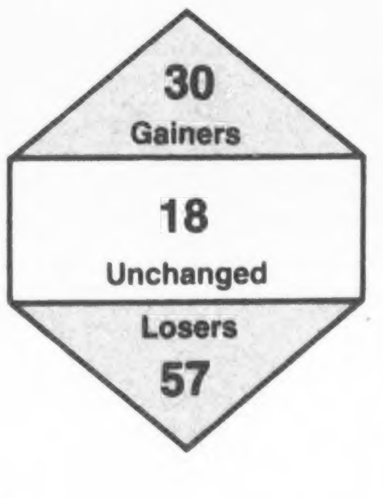
Ponderosa stock last plunged on Wall Street in October when it said its third quarter earnings would be below analysts' estimates because of heavy start-up expenses from the breakfast and salad bars.

WALL STREET UPDATE

McDonald's, Ponderosa slip as Index inches up

NEW YORK — Resuming its eight-week rally, the *Nation's Restaurant News* Food Service Operators Stock Index rose one point amid a declining market, to close at 119.9 on Friday, March 8.

All leading market barometers were down in the same week, with the Dow Jones Industrials Average dropping 29.70, to 1269.66. Analysts again blamed fears of rising interest rates and a falling dollar.



On the three-tier *NRN* listing, losers outnumbered winners by 57 to 30, with 18 unchanged. On the 87-stock listing, which makes up the *NRN* market-value index, 44 were down, 26 up and 17 unchanged.

Issues trading on lighter volume than their 12-week averages outnumbered heavy traders 3 to 2.

Notable among the losers were Ponderosa and McDonald's. Ponderosa, which said it expected to

*(See **INDEX**, page 52)*

Esteban Foods eyes sale of restaurant division

MINNEAPOLIS — Esteban Foods' directors said they are seeking a buyer for the company's 10-unit restaurant division, explaining they want to concentrate on the food-service business, which manufactures and markets Mexican and other frozen prepared specialty foods to restaurants and institutions.

Included in the possible sale are five company-owned restaurant locations, existing operating agreements with five franchise-owned locations and rights to the Esteban's Restaurant name and concept.

Horn & Hardart ends qtr. with 32% net profit drop

NEW YORK — Horn & Hardart Co., owner of the 315-unit Bojangles' chain and a mail-order retailing operation, said net profit in the quarter ended Dec. 31 was $2.96 million, a 32% year-to-year decline.

The final quarter's revenue slipped 7% to $93.9 million.

For the year, Horn & Hardart's earnings fell 29% to $9.5 million while revenue rose 5% to $363.8 million.

The company booked a one-time gain of $3 million in the fourth quarter from the sale of investment securities, which offset a loss reserve for the planned closing or sale of nine chicken-and-biscuit outlets in the rural areas of east Texas and central Louisiana. The year's gain was $5.3 million.

In 1983 the company booked a one-time gain of $592,000 for the final quarter and $2.6 million for the year, citing the same reasons.

Horn & Hardart said its 1984 results were hurt by its mail-order business, Hanover House, where operating profit fell to $3.6 million from $14.2 million in 1983.

Bojangles' finished the year with 315 units, 175 of them franchised, up from a total 215 last year, when 116 were franchised, said H&H president John Gerlach.

Franchisees failed to add as many new units as had been expected, Gerlach said, because high poultry prices narrowed margins.

G. D. Ritzy suffers $2.7M net loss

COLUMBUS, Ohio — Heavy losses from the closing of eight company operated restaurants and lower-than-expected unit volumes chainwide brought G. D. Ritzy's a $2.7 million loss in the fourth quarter ended Dec. 30, the company said. For the same period in 1983, the company earned a net profit of $40,000.

Revenue for the period was $3.3 million, up 8.8% over year-earlier results.

For the year, the 84-unit ice cream and restaurant chain lost $4.3 million, as opposed to a loss of $809,000 last year.

Sea Galley net reaches $8.6M on stock sales

MOUNTLAKE TERRACE, Wash. — Hoisted by a $7.7 million pretax gain from the sale of Flakey Jake's stock, Sea Galley Stores Inc. turned an $8.6 million net profit for the year ended Dec. 30, reversing the previous year's $6.7 million deficit.

Sales at the 47-unit seafood dinnerhouse chain declined 7% from 1983 to $66.2 million, reflecting lower unit-level volumes, the company said. Operating profit from the restaurants fell 20% to $1.6 million.

Separately, Flakey Jake's Inc. of Bellevue, Wash., reported an annual net loss of $1.2 million on $12.6 million in sales at the 25-unit chain.

Sea Galley spawned Flakey Jake's in March 1983 but has been gradually reducing its stake in the offshoot. In February, Sea Galley owned 19% of Flakey Jake's.

Sea Galley's final quarter showed a continuation of soft traffic counts, though sale of Flakey Jake's stock helped it report $2.5 million of net profit, vs. a $7.1 million loss the year before. Sea Galley's fourth quarter revenues rose 8% to $17.9 million.

Flakey Jake's fourth quarter showed a $495,000 loss, compared with a $454,000 net loss the year before, on revenue of $6 million.

Sea Galley's 1983 results were hurt by $7.7 million in write-offs stemming from the sale of the company's processing and distribution operations.

After an investor group raised its stake in Flakey Jake's to 25%, the leader of the group, Pizza Hut co-founder Frank Carney, was named Flakey Jake's chairman.

C5150-5

Bar Management Supplement: New strategies for big profits
—Centerfold

Hatfields finds a market with down-home cooking
—Page 33

Hatfields
2 EGGS GRITS
PORK CHOPS
BISKIT OR

Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

Vol. 19, No. 13 — Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year — March 25, 1985

Truck stops bolster food

Renovate restaurants to attract nontruckers

NRN *West Coast Bureau*

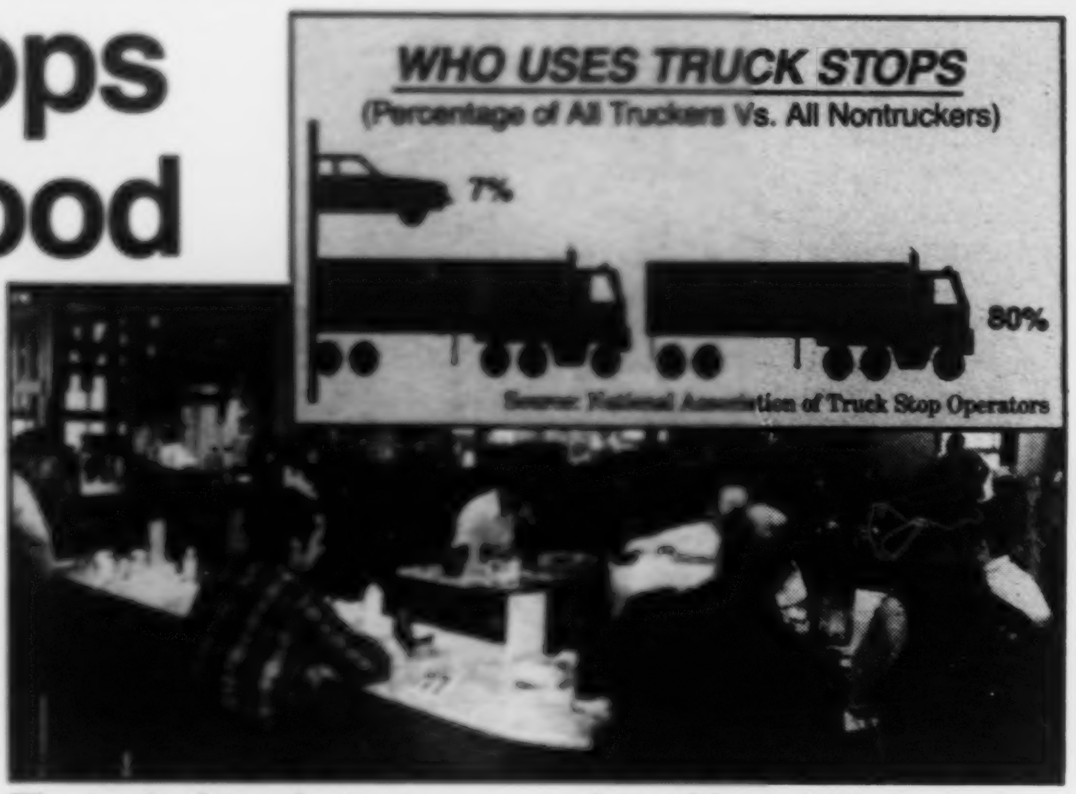
LOS ANGELES — While experiencing squeezed gas and oil profit margins, operators of the nation's full-service truck stops are adopting food-service enhancement strategies—even consulting with a Culinary Olympics chef —to bolster returns.

Setting its sights on attracting more nontrucker customers while it battles burgeoning turnpike food-service competition, the full-service truck stop industry is turning to theme concepts and paying greater attention to sanitation and food quality.

"Over the years the perception has been 'Where a truck is parked there's good food,'" said National Association of Truck Stop Operators president Ronald L. Ziegler.

But, Ziegler admits, the bit of American folk wisdom he cites may not be so prevalent today, as truck stop feeders

*(See **TRUCK**, page 33)*



The typical truck stop may soon be a thing of the past.

Saga recasts growth plans

By Richard Martin

LOS ANGELES — While struggling with "loss of momentum" in its Straw Hat Pizza division and "slippage" in its Spoons restaurants and hotel food-service operations, giant Menlo Park, Calif.-based Saga Corp. is trying to balance its diverse portfolio of restaurants and contracts for sustained, long-term growth.

Saga officials view Spectrum Foods, a specialty dinnerhouse chain acquired in December, as a vehicle for expansion into previously untapped urban markets. And they are cheered by the potential of the company's hotel food-service division, rising profits in contract feeding and the performance of the fast-growing Grandy's chicken

*(See **SAGA**, page 13)*

SAGA AT A GLANCE

Saga Corp., Menlo Park, Calif.
Operates Stuart Anderson's Black Angus/Cattle Co.; The Velvet Turtle; Hotel Food-services Division; Spectrum Foods; Grandy's; Straw Hat Pizza; Spoons, and four contract foodservice divisions
Latest six-month revenue: $602.7 million, up 11%
Latest six-month earnings: $19.4 million, up 19%
Stock price: $29 (NYSE).

Month-long Cajun promo boosts American Grill sales

Hot southern cooking warms up normally slow nights

By Patricia Stoll

GLENVIEW, Ill. — During a month when cold, nasty weather and postholiday restraint caused a downturn in restaurant traffic in the area, a restaurateur in this tiny north Chicago suburb employed a hot southern cooking craze to stabilize sales.

While many operators complained that the February decline had exceeded last year's by anywhere from 10% to 20%, Roger Greenfield says sales at his American Grill were boosted anywhere from 20% to 40%, thanks to a month-long Cajun cuisine promotion.

"Normally slow nights weren't slow," remarked Greenfield, who says that since the 160-seat restaurant opened six months ago it has been operating at a sales pace which should double his initial projection of $1.2 million.

Although the restaurant's regular menu features mesquite-grilled seafoods, roasted fowl and pizzas cooked in wood-burning ovens, Greenfield says the addition of Cajun-style foods during the promotion were in keeping with the American Grill's name and theme.

"We're trying to bring the cuisine of different American regions to our clientele, so they can try them without having to go anywhere," he continued, calling the American Grill's offerings "a gastronomic tour of the country."

*(See **CAJUN**, page 32)*

American Grill owner Roger Greenfield in his dining room.

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McDonald's hikes prices

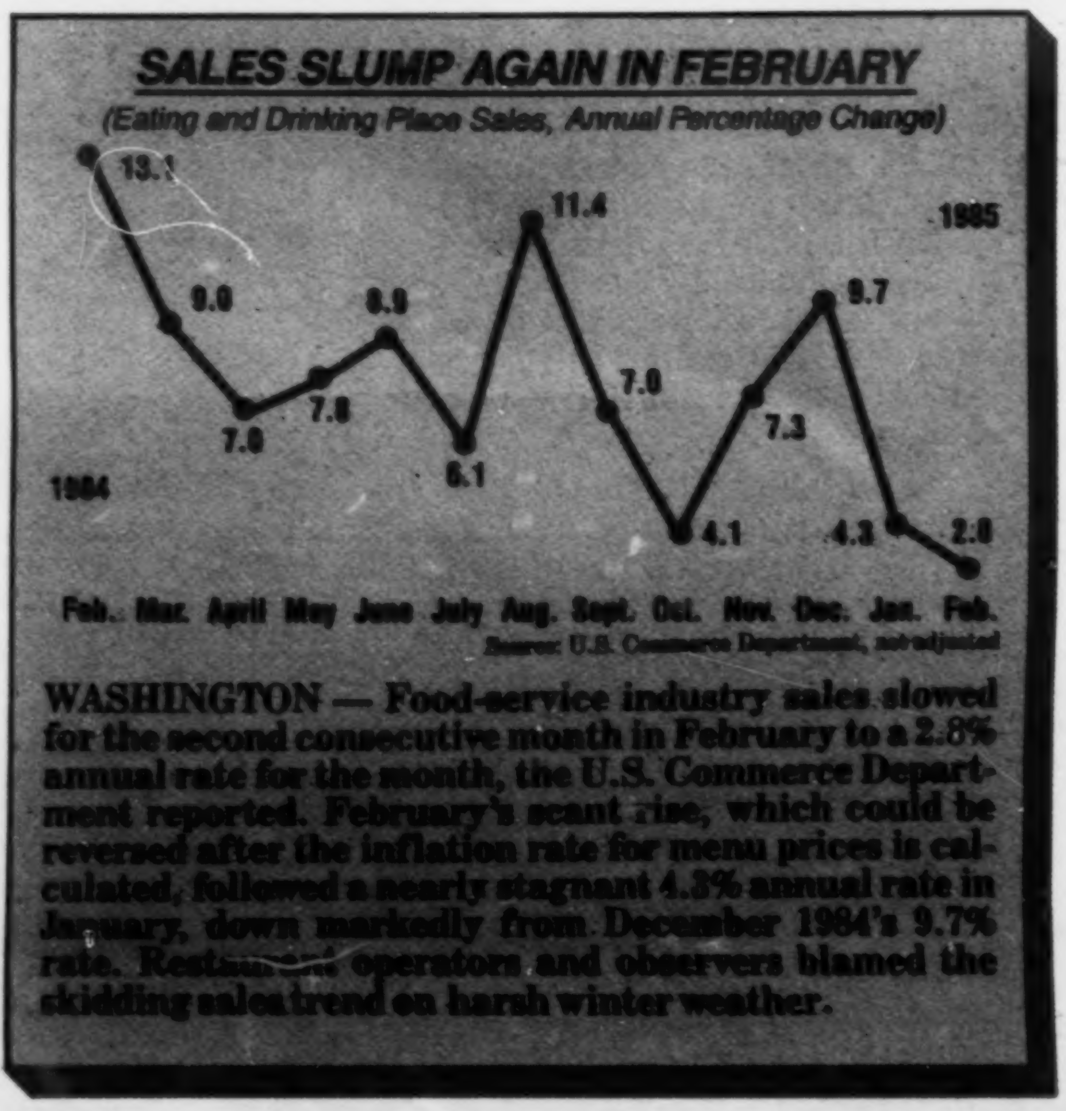
Estimated 4% rise is due to food costs

By David Zuckerman

OAK BROOK, Ill. — After holding the line for more than two years, McDonald's has finally yielded to increasing pressure on both margins and average unit volumes by hiking menu prices an estimated 3%-4% at domestic company-owned stores.

By comparison, Burger King and Wendy's—McDonald's chief rivals in the fast-food hamburger segment—have posted menu price rises of 4% and 7% respectively since November 1982 (the date of McDonald's last price

*(See **McD**, page 53)*



WASHINGTON — Food-service industry sales slowed for the second consecutive month in February to a 2.8% annual rate for the month, the U.S. Commerce Department reported. February's scant rise, which could be reversed after the inflation rate for menu prices is calculated, followed a nearly stagnant 4.3% annual rate in January, down markedly from December 1984's 9.7% rate. Restaurant operators and observers blamed the skidding sales trend on harsh winter weather.

Nine-unit El Pollo Asado signs Pizza Inn as Phoenix franchisee

NRN West Coast Bureau

PHOENIX — Nine-unit El Pollo Asado, the Mexican-style flame-grilled chicken chain that reports a per-unit annual sales average of nearly $730,000, has signed Pizza Inn as its newest franchisee.

The Dallas-based pizza chain will convert a "marginal" Phoenix unit to the El Pollo Asado concept as a test that could provide the company with "an additional opportunity for expansion and redeployment of assets," Pizza Inn president F. J. Spillman said. *(For more insight on the pollo market, see Editor's Corner, page 9.)*

The 3,000-sq.-ft. Pizza Inn unit in Phoenix—one of 10 operated by the company in Arizona—should convert easily to the standard 52-to-54-seat El Pollo Asado prototype, pegged at 2,960 sq. ft. An El Pollo Asado spokesman estimated the conversion could be completed within 90 days at a cost of under $200,000.

Pizza Inn, with 289 company-operated and 418 franchised family pizza restaurants, reported a 13.8% decline in nine-month net profit, to $2.5 million, on a 21.7% gain in revenues, to $135.6 million, through the third quarter ended in September. The company also owns the J. T. McCord's upscale hamburger concept, with seven company stores and one franchised unit.

Pizza Inn cut a franchise agreement "close to the standard" El Pollo Asado contract, Pizza Inn attorney David Short said. The chicken chain ordinarily gets a $25,000-per-unit franchise fee and a 4%-of-sales royalty.

*(See **PIZZA INN**, page 53)*

Customers line up to place their orders at an El Pollo Asado unit. Per unit, sales average $730,000 a year.

Olde World to offer stock, accelerate expansion pace

FAMILY RESTAURANT

Olde World Cheese Shop
South Pasadena, Fla.
A chain specializing in more than 150 sandwiches
Ownership: Privately held company.
Number of units: 14, 12 franchised
Average unit sales: $1 million
Average check: $5.60 per person

By Mark Schoifet

SOUTH PASADENA, Fla. — Emboldened by average unit sales of $1 million, The Olde World Cheese Shop, a 14-unit chain that features more than 150 sandwiches listed on a 3-ft.-long menu, is planning a public offering this year as part of a national expansion drive.

The chain's first unit outside of Florida is scheduled to open this spring in Schaumberg, Ill. (near Chicago), and new restaurants are also slated for Houston and Columbus, Ohio, a hotbed of chain competition.

"I want to be there," founder and president Bob Ross said, referring to Columbus. "I want to knock heads with the big guys."

Ross said the chain would use funds from a public offering to increase the number of company-owned units. The system currently has two company units and 12 franchised restaurants.

Ross said he expects 36 units in operation by the end of 1985. Long-range plans call for 250 units by the end of the decade.

Olde World began as a single gourmet wine and cheese shop in Temple Terrace, Fla., in 1976. Ross, whose parents were in the restaurant business, was dissatisfied with the retail enterprise and began experimenting with various sandwiches. He gave free samples to students from the nearby University of South Florida in exchange for an honest critique.

From this research came the first menu of 20 sandwiches, including a "sandwich du jour." By 1981 Ross, who had grown tired of the mom-and-pop take-out concept, opened a full-service, sit-down restaurant in a Tampa suburb. The menu at the 86-seat Tampa unit was expanded to include appetizers, desserts and salad.

Today, the Olde World Cheese Shop menu consists of more than 210 items, including more than 150 sandwiches, most with names such as Pork Avenue (pork with wine kraut and imported swiss cheese, served on a sourdough bun with honey dressing), Maurice Chevrolet (crabmeat salad on a croissant), W. C. Fields (chicken breast with lettuce, onion and cheddar cheese with honey dressing on an onion roll) and The Blubber Sandwich, which claims to be made of whale meat. It lists for $11,000 on the menu.

Ross said there are no overwhelming favorites on the menu, and the chain uses a POS computer system to weed out slow movers at six units. In addition, all new franchises are required to use the computer system.

"We believe in the computer," Ross said. "It gives you the controls you need to run a restaurant. It gives you inventory, food costs, labor costs. It gives you everything. You can check it every hour if you want."

*(See **OLDE WORLD**, page 53)*

COMMODITIES

Crops in California, Florida threatened by medflies

***NRN* Special Report**

Mediterranean fruit flies, a potential threat to major California and Florida fruit and vegetable crops, have been found in both states. In January traps placed around Santa Cruz and Santa Clara counties caught several medflies, and state agriculture officials are readying plans for a massive spraying over the affected areas.

The most recent finding has been in Florida, where one fly was found in a trap in North Miami in late February. Last year the state agriculture department placed a quarantine on 81 square miles of South Florida for four months during a medfly outbreak. That infestation was believed contained. Officials hope this year's captive—which had not yet laid eggs—was a stray hitchhiker that arrived on a tourist or a piece of fruit. If not, it could mean further quarantine for the state.

Florida farmers are still reeling from the January freeze. Although West Coast vegetable shipments and Mexican imports have taken up some of the slack, by early this month prices on tomatoes, green peppers and fancy lettuce had begun a steep climb. Crops have been replanted, but it will be late next month to early May before the new plants are producing.

January's inventory of beef was the lowest since 1968, yet the inventory of cattle on feedlots was 6% higher than it was a year ago. With the total inventory at slightly less than 110 million head, many agricultural economists fear that producers are selling off herds to get out of the business. If such a move is really taking place, higher prices are in store for at least three years down the road.

On the other hand, consumer resistance to beef prices combined with the larger supply of fed beef from feedlots has kept a tight lid on prices for the short term. Although economists predicted a sharp increase in beef prices starting in spring, most of them have moved the date back to early summer, and some are predicting it won't occur until fall. The only thing they all agree upon is that beef prices will rise this year by 5% to 7%.

Pork, which has a shorter production cycle than beef, has also been coming to market at a higher rate than last year. Production in January was 4% higher than it was a year ago. Here, too, agricultural economists fear producers are liquidating herds to raise money and to quit the business for a while, until farming conditions improve.

The strong dollar has kept pork imports humming. The Canadian dollar is weak, which makes that country's fresh pork highly competitive with domestic hogs. Processed and cured pork products are flooding into the U.S.A. from European sources, all drawn by the strong dollar. Canned imported hams arrived in January at the highest rate since 1972. That has depressed prices for imported canned slicing hams to the point where they are becoming directly competitive with domestic canned hams.

Lamb production has been up slightly (3%) so far this year. On the other hand, supplies are down by nearly 34%, and the situation doesn't appear to be improving. Imports have not been increasing at the rate justified by the strong dollar.

Poultry prices have remained low, and broiler processors plan to maintain the increased levels of production at least until summer. Low feed costs have had a major effect upon poultry supplies. Even at the recent lower prices producers can make a profit, so production is continuing high.

Eggs, however, are beginning to climb in price again, partially because of lower production and partially because of increased Lenten purchasing. Prices are expected to drop again by mid-April.

PRICE MOVEMENT AT A GLANCE

	Mar. 11, 1984	Feb. 11, 1985	Mar. 11, 1985
Applesauce, Fancy, NY State (6/10)	$10.00-11.00	$10.50-11.00	$10.50-11.50
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.06	$0.99	$0.94
Broccoli, No. 1, Calif. (14s)	$10.00-11.00	$9.00-9.50	$10.00
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.6589	$0.5779	$0.5374
Eggs, Grade A, large white, Chicago (doz.)	$0.84	$0.52-0.55	$0.61-0.64
Hams, domestic, 17-20 lb., Midwest (lb.)	$0.67	$0.73	$0.69
Ham, Polish 10-12 lb., canned, NYC (lb.)	$1.56-1.58	$1.54	$1.48-1.51
Ketchup, Fancy, Calif. (6/10)	$14.00-14.50	$12.50	$12.50-13.25
Lettuce, iceberg, No. 1, Calif. (24s)	$5.00	$4.50-6.00	$4.00-6.00
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$0.84	$1.02	$0.89

Source: *NRN* Research

Hatfields carves place in 'down-home' niche

By Marilyn Alva

OCALA, Fla. — The upscale yuppie crowd may be a market many restaurants covet, but in this small town situated in central Florida's horse country, a new restaurant is discovering that money is to be made in the downscale market.

Fashioning themselves as a southern-style country restaurant, Hatfields N' McCoys is reaching for those in the middle to low-middle income bracket who want good value, rather than trendiness, for their dollar. In this case, they receive mountainous portions of "home-cooked" food at reasonable prices in a folksy, down-home environment. The average check for a meal is $4.65, including beverage. Only four items on the menu are priced over $5.

Hatfields N' McCoys' five-year business plan calls for opening four restaurants within the first year and 28 within five years, all in the central and north-central Florida area, in cities that will most likely include Tampa, St. Petersburg, Orlando, Jacksonville and Tallahassee.

"We're ambitious, mercenary folks," says Jerrel E. Walker, a retired navy commander who is president and chief investor of the business.

In many ways Hatfields is a blend of some other country-style restaurants, such as Po Folks, a fast-growing budget chain out of Nashville; Zackly's, a relative newcomer with four businesses in Florida, and Cracker Barrel, a regional chain based in Tennessee.

Hatfields' first restaurant in Ocala has been open only three months, and sales projections already are paralleling projected annual sales of $1.8 million, with food and labor costs at 33% and 31.5%, respectively, for a 13.4% net profit. The restaurant is averaging 5,800 customers a week and has as many as eight to 12 complete house turns on busy weekend days. On Sunday mornings and well into the afternoon the place is as jammed as a rush-hour subway in Manhattan.

Neither Walker nor his two operating partners are newcomers to the restaurant business. He was president and chief operating officer of the Omaha cattle company, a chain of 17 family steakhouses in central Florida, until his family sold their majority stock interest in the company last May. For this new venture he recruited Eric Holm as vice president of operations, who had opened Po Folks' two highest-volume restaurants, both in New Orleans. Janet M. Vance, the other Hatfields associate, was formerly director of real estate for Biskits Inc., a Florida-based chicken-and-biscuits fast-food chain. "We fashion ourselves as entrepreneurs," says Walker, who notes that his former position at the Omaha Cattle Company had become "too administrative."

They researched restaurant trends across the U.S. and decided a format with reasonably priced country-style food, including a strong breakfast presence, would generate high sales volume. (Breakfast, in fact, accounts for 40% of Hatfields' sales volume.)

The team flirted briefly with gourmet hamburger and backyard barbecue themes before settling on the southern, down-home theme.

"We went with a concept we were comfortable with and one in which we could predict sales and profits," said Walker. "Based on our knowledge of the restaurant industry, we went with a known. And yet it's still a 'different' concept."

Walker also concluded that unit management and operation would be relatively easy and that conversion, construction and equipment cost would be low, resulting in good net profits. Initially, the company plans to stick with conversions rather than undertaking more time-consuming and costlier construction on new units.

Hatfields
2 EGGS GRITS
PORK CHOPS
BISKIT OR
TOAST 469

Hatfields plans to open as many as 28 restaurants within the next five years.

The first Hatfields in Ocala may turn out to be in the least populated area. However, it is located on busy South Pine Street, which is actually the merger of U.S. 441, 301 and 27, and there is a heavy traffic flow of locals and tourists on their way to or from nearby Silver Springs, Disney World and other vacation destinations in the state.

"The rich people retire to Palm Beach. The poor folk retire to Ocala," maintains Walker, who notes that retirees account for a sizable portion of the business, as do budget-conscious tourists.

The restaurant is in a 25-year-old building on the outstretch of a strip shopping center. It was originally an S&S Cafeteria and most recently a Bonanza restaurant. Conversion took only three weeks at a cost of $85,000.

Holm's experience at Po Folks taught him much about the restaurant business. He learned that the flow in the kitchen should be as smooth and uncomplicated as possible. For that reason he devised a menu utilizing the same basic ingredients for different meals. For example, the bacon, sausages, ground chuck and chicken fried steak featured in breakfast entrées "flow right on through" to lunch and dinner.

"All my lunch and dinner sandwiches are my breakfast meats," says Holm. "Everything can be used three or four times. We have an awesome-looking menu, but when you count 'em up, it's really very simple."

Specialties of the house include "hoecakes," pancakes that look like silver dollars and are made with cornmeal, onions and a blend of spices; catfish platters; fried chicken dinners, and "the real McCoy," consisting of sausage gravy over a big buttermilk biscuit.

WAITE CHER
FOR THE
SEATER

The interior is folksy, from the rough-hewn walls to the green-checked tablecloths.

Truck stops paying more attention to nontruckers

(Continued from page 1)

find themselves tangling with complexities he says are "parallel" to those faced by "the rest of the mainstream, full-service restaurant industry."

The association's 1,000-member truck stops—representing two-thirds of the full-service truck stop industry—do more than $1 billion in food-service sales annually, nearly 10% of their total sales volume. By the group's reckoning, however, its members attract only 7% of the nontrucking "highway traveler" market, even though truck-stop operators offer such lures as convenience stores, lodging and telegraph services and gas, diesel fuel and automotive repairs.

Coincidental to its image-enhancement goals, NATSO convened for its silver jubilee at the Century Plaza, a hotel noted for its food-service quality and familiar to president Ziegler from his five-and-a-half-year tenure as White House press secretary to President Richard Nixon.

A frequent West Coast base to presidents, the Century Plaza includes in its culinary history its role as the site of the first state dinner ever held outside the White House (honoring the first returning lunar-landing astronauts during the Nixon years).

The hotel's executive chef, United States Culinary Olympics team member Raimund Hofmeister, organized a competition among his apprentices to concoct truck stop menu items for the association's visitors.

"If [truck stop operators] want to upgrade their image, they have to start in the kitchen—and even truck drivers are health conscious," Hofmeister told his seven apprentices.

Apprentice chefs Robert Daugherty, Rhoades Fearn and Robert Garcia kept their winning creations under the $8 menu price limit, based on a 30% food-cost basis, with such recipes as Northwest Potato Omelet, Turkey Crepes "California," Cajun-style Beef and Chicken Enchiladas.

Although a number of large truck stop operators are working with 7-Eleven parent Southland Corp. on studies of truck stop convenience stores offering limited fast-food menus, Ziegler is convinced the future of the truck stop food-service industry "will be grounded on the full-service, midsized restaurant."

Many association-member restaurants have annual volumes of nearly $2 million, in 24-hour facilities with about 200 seats and average checks of under $4. The group's research shows that 80% of all truckers usually take their on-the-job meals in truck stop restaurants—representing a clientele that accounts for 60% of the restaurants' total volume.

But other motorists and the residential and business public in areas surrounding truck stops constitute a prospective customer base the association would love to tap more fully.

One handicap to attracting such customers is the sanitation problem that truck stop restaurants face because of their proximity to such grease sources as gas pumps, truck exhaust and shoe-tracked oil leaks. Sanitation standards and methods to combat those problems have been combined in programs that are offered to association members, and more than 300 operators have already adopted them.

Ziegler sees the evolution of truck stops—from Mom and Pop diesel-filling stops with small cafés to full-facility truck plazas with large restaurants—continuing through a new wave of more sophisticated operations.

"As we move into a third generation of truck stops, many of the newer plans on the drawing boards call for facilities that have larger retail outlets and specialty restaurants," he said.

Presaging such developments are a host of truck stop restaurant concepts that team themed decor and inviting ambience with greater attention to food quality and menu variety. Robert Fulton, owner of the Twin Cities West truck stop in Rogers, Minn., is developing—true to his name—a steamboat theme restaurant.

Owner Bob Jacks' American Eagle restaurant at his truck stop in Southington, Conn., satisfies customers with an American Colonial theme worked into the interior and exterior design.

The Warren Auto/Truck Plaza in Warren, Ind., features owner Max Schoeff's nautically themed restaurant, The Wharfside, replete with an indoor wharf.

Frank J. Bader of the Oswalt Menu Co. of Hartford City, Ind., sees a markedly increased sophistication among the many truck stop feeders his company services. "The truck stop industry has improved its restaurant image 250% in the last three years," he declared.

Some observers of the United States truck stop industry have suggested that future concepts in roadside restaurants might come from Europe, where large-scale operations with a wide variety of food services have evolved along autobahns and other major highways.

NRN Index drops 2.6 pts. as profit outlooks dim

(Continued from page 56)

$10. This Godfather's franchisee benefited from unusually high trading in the stock of the pizza chain's parent company, Diversifoods.

Nearly 57 million shares of Diversifoods changed hands last week, amid rumors that the troubled company would be acquired or broken up. But its stock closed only 1.3% higher for the week, at $10.

The second-biggest gainer of the week was Sonesta International Hotels, up 16.7%, to close at $24.50. Sonesta reported last week that net profit for 1984 rose about 300%, to $6.4 million. The company was also the volume trend leader of the week, with shares trading at a rate 420% higher than the previous 12-week average.

Among the other top price gainers for the week were two companies that reported net losses. Victoria Station's stock rose 13.8% in value despite the reporting of a $1.2 million net loss for the 16 weeks ended Jan. 6. Calibre Corp.'s stock increased 12.5% in value, but the company said it had a net loss of $1.1 million for the quarter ended Jan. 27. Calibre, a franchisee of Rax and Pizza Time Theater, said it planned to get out of the restaurant business.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Sonesta Intl ....M	420.0	Hungry Tiger ....M	85.8
A&M Food Svcs ....M	187.8	Ch Full O Nut ....N	74.7
Fresher Cooker ....O	187.5	Skippers ....M	67.8
Diversifoods ....M	146.1	El Chico ....M	66.9
Marcus Corp ....M	87.8	Good Taco ....M	59.5

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Concept Dev ....O	19.4	Skippers ....M	6.4
Sonesta Intl ....M	16.7	Esteban Foods ....O	5.6
Victoria Stations ....M	13.8	Rusty Pelican ....M	4.4
Calibre Cp ....M	12.5	Hungry Tiger ....M	4.3
Chili's inc ....M	8.3	A&M Food Svcs ....M	4.2

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Ritzys G D ....M	- 13.6	Max Erma's ....O	- 8.1
Flakey Jakes ....M	- 12.3	Intl King Tab ....M	- 8.1
Benihana Natl ....M	- 10.1	Fuddruckers Inc ....M	- 8.0
Winners Cp ....N	- 8.9	Wstn Steer ....M	- 7.3
Nankin Express ....O	- 8.3	Morrison Inc ....M	- 7.1

Company and Market	Stock Market											Financial Update																	
	Price							Volume				P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	3-15-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	Ratio			New	Period	Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld.	Report		Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ....M	6.25	.25	4.2	7.13	6.00	7.50	3.50	1,180	3.31	1.15	187.8	19.5	.00	.0		fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests ....O	4.13	.00	.0	4.38	4.13	5.00	3.50	49	.20	.56	- 64.3	16.5	.00	.0	.....	fiscal	10-84	10.3	5.1	.3	NE	.11	NE	38.6	1.8	.6	NE	.25	NE
Amer Rest ....O	4.00	- .13	- 3.0	4.13	4.00	6.00	2.38	38	.17	.51	- 66.7	21.1	.00	.0	.....	9 mos.	10-84	4.6	17.9	.1	.0	.02	- 60.0	13.6	25.9	.3	.0	.12	- 40.0
Assoc Hosts ....M	13.00	- .38	- 2.8	13.50	12.88	17.13	10.50	740	1.67	2.67	- 37.5	15.7	.12	.9	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char ....A	2.38	- .13	- 5.0	2.63	2.25	4.63	1.75	466	.82	.85	- 3.5	NE	.00	.0	.....	fiscal	10-84	23.5	7.8	(6.3)	NE	(1.13)	- 100.0	92.2	- 3.2	(8.0)	NE	(1.43)	- 100.0
Benihana Natl ....M	19.00	- 2.13	- 10.1	19.88	18.38	21.75	6.63	1,074	3.69	4.45	- 17.1	20.7	.00	.0		9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms ....M	19.25	- .50	- 2.5	19.63	19.00	20.25	14.75	558	.34	1.00	- 66.0	17.8	.30	1.6		9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp ....M	1.13	.13	12.5	1.38	1.00	8.00	1.00	133	.44	.47	- 6.4	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food ....M	12.63	- .38	- 2.9	13.25	12.63	13.25	7.25	536	1.18	2.95	- 60.0	20.0	.16	1.3	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab ....M	2.00	- .13	- 5.9	2.13	1.75	6.13	1.38	2,571	1.68	1.48	13.5	NE	.00	.0	.....	fiscal	08-84	1.7	466.7	(.4)	NC	(.03)	NE	5.4	260.0	(1.0)	NC	(.08)	NE
Carrols Cp ....N	10.13	- .50	- 4.7	10.63	10.13	11.50	7.13	333	.43	1.12	- 61.6	14.5	.07	.7	.....	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's ....M	11.13	.13	1.1	11.25	10.63	18.25	10.00	13,097	4.86	4.48	8.5	17.7	.00	.0		9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's inc ....M	26.00	2.00	8.3	26.00	24.00	26.00	12.75	1,505	3.35	2.58	29.8	38.2	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch ....N	34.88	- 1.00	- 2.8	35.88	34.63	37.00	21.50	3,993	2.12	2.26	- 6.2	15.4	.80	2.3	.....	fiscal	12-84	189.8	25.0	14.5	79.0	.77	140.6	545.3	20.0	42.6	34.8	2.26	36.1
Collins Foods ....N	19.75	- .13	- .6	20.25	19.25	22.13	9.91	1,470	1.68	1.90	- 11.6	15.4	.16	.8	.....	6 mos.	10-84	114.8	16.5	5.1	15.9	.39	14.7	229.9	20.3	9.9	19.3	.75	15.4
Concept Dev ....O	10.00	1.63	19.4	10.75	8.00	17.41	5.75	472	.91	1.64	- 44.5	19.2	.00a	.0	.....	3 mos.	09-84	10.9	19.8	.0	- 100.0	.00	- 100.0	10.9	19.8	.0	- 100.0	.00	- 100.0
Consol Prdts ....M	4.75	.13	2.7	4.75	4.63	8.50	4.63	99	.28	.38	- 26.3	13.6	.08	1.7	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant ....M	5.50	.13	2.3	5.63	5.13	13.50	4.50	896	1.99	2.25	- 11.6	91.7	.00	.0	.....	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel ....M	13.75	- .25	- 1.8	14.25	13.75	23.50	11.75	370	1.04	1.30	- 20.0	16.6	.14	1.0	.....	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc ....O	5.00	- .25	- 4.8	5.50	5.00	5.25	2.75	58	.33	.67	- 50.7	38.5	.00	.0	.....	3 mos.	09-84	1.7	142.9	.0	- 100.0	.03	.0	1.7	142.9	.0	- 100.0	.03	.0
Diversifoods ....M	10.00	.13	1.3	10.38	9.75	16.75	8.00	56,995	16.91	6.87	146.1	18.5	.34	3.4	.....	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer ....M	12.50	- .25	- 2.0	12.50	12.25	15.50	10.88	831	1.65	3.86	- 57.3	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts ....M	27.25	.13	.5	27.75	27.00	28.00	18.88	848	1.79	2.59	- 30.9	14.0	.32	1.2	.....	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico ....M	10.38	- .25	- 2.4	10.63	10.25	10.88	7.25	1,266	2.72	1.63	66.9	13.3	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest ....N	14.63	.50	3.5	14.75	14.00	14.88	9.13	550	.50	.87	- 42.5	15.1	.00	.0		fiscal	12-84	61.1	13.6	2.1	110.0	.19	35.7	250.1	18.7	11.1	42.3	.97	42.6
Fast Food Oper ....O	.75	.00	.0	0.88	0.75	1.75	.69	445	.75	.84	- 10.7	10.7	.00	.0	.....	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes ....M	7.13	- 1.00	- 12.3	8.00	7.00	9.13	5.13	874	1.25	2.52	- 50.4	NE	.00	.0	.....	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Fresher Cooker ....Q	3.00	.00	.0	3.25	3.00	6.75	3.00	273	1.61	.56	187.5	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's ....A	20.00	.00	.0	20.00	19.63	20.88	12.00	47	.11	.18	- 38.9	17.2	.22	1.1	.....	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc ....M	10.00	- .88	- 8.0	11.00	9.88	16.25	8.50	1,968	3.03	3.82	- 20.7	NC	.00	.0	.....	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot ....M	2.31	.00	.0	2.31	2.19	6.38	1.63	314	.52	2.24	- 76.8	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ....M	.69	.00	.0	0.81	0.69	4.38	.25	1,226	4.13	2.59	59.5	NE	.00	.0	.....	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet ....O	13.75	.00	.0	14.50	13.75	14.50	9.75	1	.01	.17	- 94.1	7.2	.00	.0		6 mos.	09-84	9.7	11.5	.4	300.0	.59	321.4	19.3	10.9	.8	166.7	1.17	178.6
Hungry Tiger ....M	6.00	.25	4.3	6.00	5.75	7.50	3.63	1,093	3.79	2.04	85.8	31.6	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen ....O	43.50	- 3.00	- 6.5	46.50	43.50	50.50	33.50	86	.43	.27	59.3	12.2	.00	.0	.....	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab ....M	22.75	- 2.00	- 8.1	24.25	22.75	24.75	11.59	573	2.01	3.52	- 42.9	17.1	.00a	.0	.....	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	20.0	19.2	6.7	1.1	37.5	.36	20.0
JB's Rest ....M	19.50	- .50	- 2.5	19.50	18.88	21.50	10.38	613	2.64	4.45	- 40.7	15.7	.20	1.0	.....	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc ....M	18.63	.13	.7	19.13	18.50	19.38	13.00	2,326	1.47	3.29	- 55.3	13.5	.12	.6	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp ....A	2.63	.00	.0	2.63	2.50	4.00	1.13	96	.43	.73	- 41.1	NE	.00	.0	.....	fiscal	09-83	3.1	72.2	(4.0)	NE	(.33)	NE	12.3	7.9	(2.1)	NE	(1.29)	NE
Karcher Carl ....M	17.00	- .75	- 4.2	17.38	16.75	29.63	13.50	1,176	1.67	3.07	- 45.6	10.2	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston ....M	1.13	- .06	- 5.3	1.25	1.06	7.63	.75	1,166	1.37	4.78	- 71.3	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ....N	29.00	- .63	- 2.1	30.00	28.75	32.00	23.63	560	.46	.38	21.1	20.3	.54	1.9	.....	fiscal	08-84	48.7	23.6	5.0	28.2	.41	173.3	174.9	21.4	17.4	25.2	1.43	24.3
Marcus Corp ....M	16.75	.50	3.1	17.13	16.38	17.13	11.88	390	.77	.41	87.8	10.9	.28	1.7		9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp ....N	81.25	- .63	- .8	82.00	80.00	86.38	58.50	1,920	.75	.69	8.7	16.2	.54	.7	.....	fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest ....O	2.75	.00	.0	2.88	2.75	6.25	2.25	47	.09	.50	- 82.0	16.2	.00	.0	.....	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's ....O	4.25	- .38	- 8.1	4.75	4.25	6.88	2.50	148	.82	1.17	- 29.9	NE	.00	.0	.....	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp ....N	59.75	.75	1.3	59.88	58.38	62.38	40.84	8,428	.97	1.11	- 12.6	14.0	.82	1.4	.....	9 mos.	09-84	784.8	- 4.1	114.3	13.6	1.30	16.1	2395.1	7.6	297.9	13.4	3.37	15.4
Morrison Inc ....M	17.88	- 1.38	- 7.1	19.25	17.88	19.25	13.25	2,301	1.68	1.69	- .6	11.9	.48	2.7	.....	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak ....O	2.75	- .13	- 4.3	3.00	2.75	3.25	1.13	298	.62	1.29	- 51.9	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express ....O	1.38	- .13	- 8.3	1.63	1.38	2.50	1.00	259	1.16	1.17	- .9	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans ....O	3.88	- .13	- 3.1	4.00	3.88	4.50	1.78	200	.90	1.96	- 54.1	15.5	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza ....M	8.75	.00	.0	9.00	8.50	9.75	7.50	70	.13	.19	- 31.6	9.7	.00	.0	.....	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc ....M	5.13	.00	.0	5.13	4.75	10.13	4.75	1,856	4.16	6.11	- 31.9	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 ....O	1.63	- .13	- 7.1	1.88	1.63	12.25	1.63	88	.40	1.49	- 73.2	32.5	.00	.0		9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

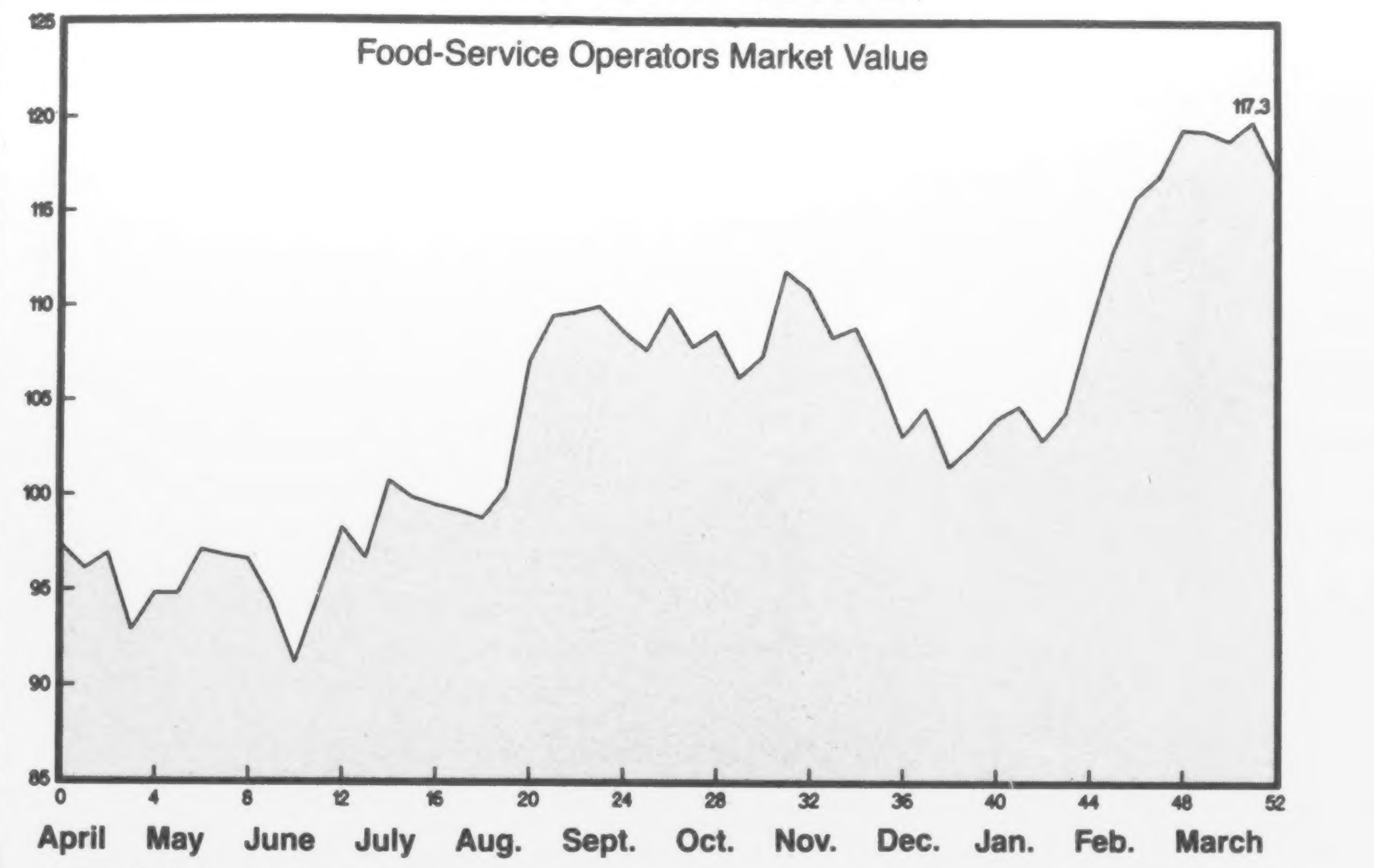
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

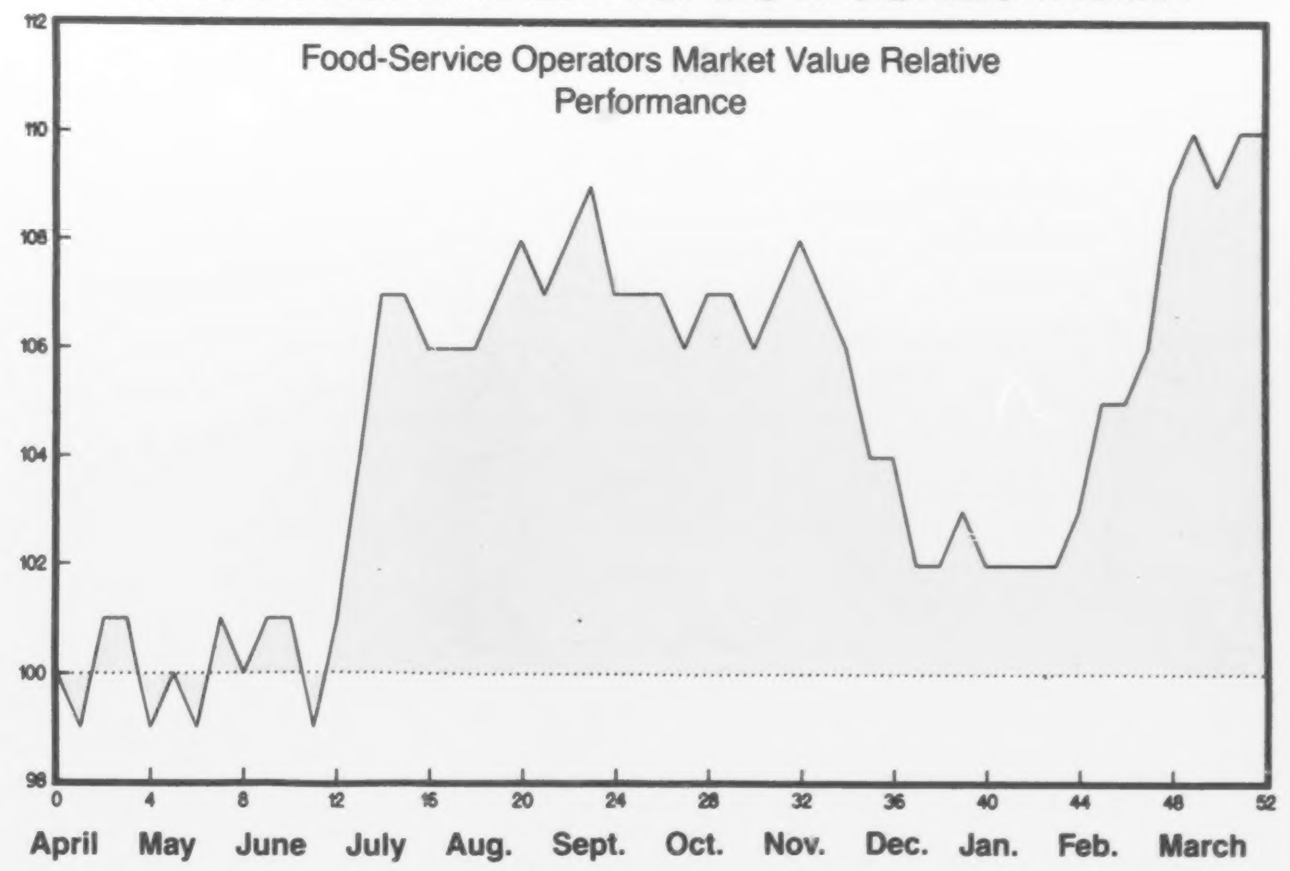
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



	Stock Market											Financial Update																		
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date						
	3-15-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd ..... O	5.00	.00	.0	5.50	5.00	6.25	4.00	17	.12	.36	- 66.7	9.8	.00	.0	.....	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet ..... M	7.25	- .13	- 1.7	7.50	7.25	8.25	5.88	1,788	6.59	6.23	5.8	12.9	.13	1.8	.....	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest ..... M	.50	.00	.0	0.50	0.38	4.50	.25	1,688	1.96	6.06	- 67.7	NE	.00	.0		6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ..... M	23.00	- .25	- 1.1	23.50	23.00	24.25	16.50	565	.93	1.77	- 47.5	13.3	.60	2.6	.....	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn ..... A	9.75	.38	4.0	9.88	8.75	12.75	6.88	357	1.17	1.03	13.6	9.4	.08	.8	.....	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks ..... M	11.25	.13	1.1	11.38	10.75	16.63	8.75	287	.65	.95	- 31.6	15.6	.00	.0	.....	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys ..... N	13.25	.25	1.9	13.25	12.38	22.88	11.50	2,090	2.18	3.46	- 37.0	7.7	.40	3.0	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc ..... O	3.50	.00	.0	3.63	3.50	5.00	2.38	34	.10	1.14	- 91.2	NE	.00	.0	.....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants ..... M	9.75	.25	2.6	9.75	9.00	16.38	8.00	293	.46	1.44	- 68.1	14.3	.00	.0	.....	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc ..... A	8.00	.00	.0	8.25	7.88	8.88	5.38	57	.20	1.19	- 83.2	11.0	.00	.0	.....	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys ..... M	15.75	- .13	- .8	16.50	15.75	16.50	9.00	75	.32	1.13	- 71.7	17.7	.00	.0	.....	fiscal	12-84	8.5	13.3	.5	25.0	.21	23.5	36.4	23.0	2.1	50.0	.89	23.6
Ritzys G D ..... M	2.38	- .38	- 13.6	2.88	2.25	9.00	1.75	221	.43	1.63	- 73.6	NE	.00	.0		fiscal	12-84	3.3	50.0	(2.7)	NC	(.52)	- 100.0	13.9	87.8	(4.3)	NE	(.83)	NE
Rusty Pelican ..... M	14.88	.63	4.4	15.38	14.00	18.25	11.00	595	2.11	2.12	- .5	19.8	.00	.0	.....	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak ..... M	17.00	- .25	- 1.4	17.25	16.25	17.75	10.84	721	1.12	2.07	- 45.9	33.3	.00	.0	.....	fiscal	12-84	9.3	66.1	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp ..... N	29.88	- .50	- 1.6	30.50	29.13	35.50	25.88	3,016	2.31	2.05	12.7	11.7	.52	1.7	.....	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef ..... O	8.25	- .25	- 2.9	8.75	8.00	10.50	6.75	155	1.24	1.02	21.6	- 13.5	.00	.0	.....	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley ..... M	8.00	- .25	- 3.0	8.38	8.00	11.00	6.50	1,532	3.90	5.58	- 30.1	NE	.00	.0	.....	9 mos.	09-84	15.7	- 14.2	3.0	NE	.76	- 17.4	48.3	- 11.9	5.3	NE	1.35	1587.5
Shoney's Inc ..... M	27.00	- .13	- .5	27.25	26.63	27.88	16.22	3,428	1.21	1.47	- 17.7	24.8	.15	.6		fiscal	10-84	109.8	11.2	8.3	36.1	.29	26.1	469.8	19.6	30.2	30.2	1.09	25.3
Shoney's South ..... M	14.63	- .75	- 4.9	15.00	14.38	16.59	11.00	371	.66	1.15	- 42.6	11.7	.00	.0		fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp ..... M	4.63	.13	2.8	5.00	4.50	8.50	3.25	102	.66	.82	- 19.5	NE	.00	.0	.....	9 mos.	09-84	2.1	61.5	(.1)	- 100.0	(.02)	- 100.0	5.6	86.7	(.1)	- 100.0	(.05)	- 100.0
Sizzler Rest Intl ..... M	19.25	.50	2.7	19.25	18.63	20.00	9.25	402	.59	.95	- 37.9	15.4	.00	.0	.....	3 mos.	07-84	40.0	11.7	2.5	25.0	.37	27.6	40.0	11.7	2.5	25.0	.37	27.6
Skippers ..... M	12.50	.75	6.4	12.63	11.50	12.50	8.00	913	3.34	1.99	67.8	13.4	.06	.5	.....	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality ..... M	5.38	- .13	- 2.3	5.50	5.25	5.88	3.75	1,099	2.30	4.29	- 46.4	15.4	.00	.0	.....	6 mos.	11-84	10.3	18.4	.4	33.3	.08	14.3	21.0	25.7	.8	33.3	.16	14.3
Taco Viva ..... M	10.00	.00	.0	10.25	9.75	11.25	7.00	368	1.61	1.38	16.7	18.9	.00	.0	.....	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's ..... N	10.38	- .50	- 4.6	11.00	10.38	13.13	7.88	369	.32	1.05	- 69.5	16.0	.00	.0	.....	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas ..... O	2.25	.00	.0	2.75	2.25	3.75	2.25	4	.03	.26	- 88.5	NE	.00	.0	.....	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld ..... N	35.13	- .13	- .4	35.63	34.63	37.63	24.50	3,735	1.14	2.49	- 54.2	11.2	.40	1.1	.....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes ..... M	5.13	- .13	- 2.4	5.25	4.63	5.75	2.75	1,837	2.92	3.24	- 9.9	14.6	.14	2.7	.....	3 mos.	12-84	4.6	15.0	.4	- 20.0	.07	- 30.0	4.6	15.0	.4	- 20.0	.07	- 30.0
Vicorp Restaurants ..... M	24.63	- .38	- 1.5	24.88	24.50	26.25	13.25	4,042	6.09	4.35	40.0	18.7	.12	.5	.....	fiscal	10-84	87.9	145.5	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations ..... M	4.13	.50	13.8	4.25	3.50	8.00	2.13	1,761	4.98	4.23	17.7	NE	.00	.0	.....	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl ..... N	15.75	- .56	- 3.4	16.50	15.63	17.25	9.84	9,776	1.33	2.32	- 42.7	16.8	.21	1.3		fiscal	12-84	249.9	27.0	17.6	18.9	.24	20.0	944.8	32.1	68.7	24.5	.94	23.7
Wstn Steer ..... M	9.50	- .75	- 7.3	10.00	9.00	12.00	9.00	47	.39	.44	- 11.4	16.7	.20	2.1	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp ..... N	6.38	- .63	- 8.9	6.75	6.00	13.38	5.13	673	1.50	1.05	42.9	17.2	.00	.0	.....	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																														
Brock Hotel Cp ..... N	3.00	.00	.0	3.13	2.88	6.38	2.63	929	.70	1.04	- 32.7	NE	.10	3.3		9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels ..... N	58.00	- .50	- .9	59.00	58.00	63.38	45.50	2,296	.93	1.26	- 26.2	13.4	1.80	3.1	.....	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns ..... N	50.50	.00	.0	51.13	50.00	52.88	35.25	3,693	1.06	4.75	- 77.7	14.1	1.00	2.0	.....	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn ..... N	23.38	- .06	- .3	24.25	22.75	24.28	12.28	2,043	1.06	1.29	- 17.8	24.3	.09	.4	.....	3 mos.	09-84	47.9	192.1	5.8	26.1	.30	25.0	47.9	192.1	5.8	26.1	.30	25.0
Ramada Inns ..... N	6.75	- .13	- 1.8	7.00	6.63	8.38	5.13	6,188	1.66	2.39	- 30.5	22.5	.00	.0	.....	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc ..... M	18.25	.13	.7	18.50	17.75	22.28	12.28	109	.31	.45	- 31.1	8.6	.00a	.0	.....	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl ..... M	24.50	3.50	16.7	26.00	23.50	26.00	17.50	79	.52	.10	420.0	7.2	.40	1.6		fiscal	12-84	19.1	6.7	5.9	NE	3.83	NE	81.2	10.6	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																														
Allegheny Bev ..... M	19.38	.38	2.0	19.38	18.75	22.63	13.50	343	.57	2.64	- 78.4	11.7	.40	2.1	.....	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut ..... N	8.00	- .25	- 3.0	8.25	7.25	14.56	7.25	622	1.31	.75	74.7	100.0	.48	6.0		6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt ..... N	76.75	1.88	2.5	76.88	73.63	81.13	45.25	3,284	.97	2.46	- 60.6	62.9	1.20	1.6	.....	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods ..... O	2.38	.13	5.6	2.50	2.13	3.38	1.13	279	1.19	.90	32.2	26.4	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills ..... N	56.00	1.00	1.8	57.25	54.75	60.00	45.50	5,242	1.16	1.89	- 38.6	13.4	2.24	4.0	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R ..... N	40.75	.00	.0	41.38	40.75	44.50	36.50	3,666	.76	1.04	- 26.9	10.1	2.80	6.9	.....	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart ..... A	10.63	- .63	- 5.6	11.25	10.63	21.19	8.63	1,409	1.14	1.67	- 31.7	15.0	.00a	.0		fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp ..... N	31.13	- .25	- .8	31.63	30.88	31.88	24.13	1,443	.76	.96	- 20.8	15.2	1.80	5.8	.....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc ..... N	48.38	.38	.8	48.88	48.00	49.25	35.88	8,626	.90	1.49	- 39.6	21.5	1.68	3.5		fiscal	12-84	2272.8	- 1.4	(43.1)	- 100.0	(.32)	- 100.0	7698.7	8.5	200.8	- 29.3	2.25	- 25.2
Pillsbury Co ..... N	47.63	- .25	- .5	48.25	47.25	48.25	34.50	2,388	.55	1.33	- 58.6	11.0	1.56	3.3	.....	6 mos.	11-84	1256.5	11.7	66.1	26.9	1.52	26.7	2280.0	11.0	105.0	20.8	2.42	21.0
Vie de France ..... M	12.75	.13	1.0	12.88	12.50	15.25	10.50	1,339	1.24	.96	29.2	20.9	.23	1.8	.....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Recent stock plans show a wild and woolly streak

By Rick Telberg

With Wall Street savants ballyhooing a tumultuous stock market rally this year, experts say it is only a matter of time before restaurant companies try to cash in by going public.

Last year 550 companies reaped $3.8 billion by issuing stock to the public. Many investors got burned, but it hasn't put a lid on the new issues market.

Most of the restaurant companies going public so far this year would trade on the wild and woolly penny-stock market ,where investors must be prepared to lose their entire stake. But, as two of the four following examples show, a company need not even be operating a restaurant to attempt to cash in.

World's Fair Legacy

Sunsphere Plaza Inc. of LaFollette, Tenn., is selling an initial 14% of the company to the public for $3 million. Units of 500 shares with warrants to buy 5,000 more are priced at $500 each.

Proceeds would be used to buy the Sunsphere, the 266-ft., restaurant-topped tower overlooking the 1982 Knoxville, Tenn., World's Fair grounds, and to buy a five-unit chain of fast-food restaurants now operating under the name Burger Hof.

Plans are to launch a new chain of family restaurants using the landmark Sunsphere as its flagship.

The same investor group that controls Sunsphere Plaza Inc. is the one that originally rounded up $5 million to build the tower for the fair. Alas, Hardee's, which operated the Sunsphere restaurant during the fair, is gone and so are the crowds.

Today that investor group is willing to sell the Sunsphere to the company it controls for $500,000 down and $2.95 million in existing debt that may, or may not, be refinanceable. There was no independent appraisal.

In addition, the acquisition of Burger Hof will cost Sunsphere Plaza Inc. $90,000 cash and the assumption of $412,450 in debt, plus a five-year contract to employ Burger Hof's owner. Again, no independent appraisal.

Not only are the Sunsphere's original builders getting out from under a tower of debt with the help of new investors, but, the prospectus says, it is possible "the public shareholders will have assumed 99.25% of the economic risk of the venture while acquiring only 14.3% of the company."

Help Wanted

Zab's Backyard Hots of Rochester, N.Y., a small chain of frankfurter stands, may have its future on the line. If the company's planned offering of up to 73% of Zab's stock for $2.7 million doesn't materialize, Zab's could go out of business. It's current net worth is negative.

Based on a hot sauce recipe from their mother, brothers Michael, Donald and David Zakbar have built in four years a seven-unit chain that they hope to franchise nationally.

Four of the outlets, however, are slated for closing or sale due to losses. In a fifth, Zab's is trying to get a rent break from the landlord.

Zab's hotdogs are cooked over hardwood charcoal fires. The signature item is a hotdog so reportedly all-natural it lacks food coloring, giving it an unusual white pallor. Zab's says its white hotdog is "well established in Rochester, but not as well recognized elsewhere."

One other item of note: None of the Zakbars has any restaurant experience, so they are looking for an executive to serve as chief operating officer.

No Assurances

Three-Y Corp. was founded in 1980 by a retired U.S. Air Force meteorologist, his wife from Guam who worked as a tour operator there and her former co-worker there, who is the chef for the company which runs a six-unit chain of Japanese-style full-service restaurants called House of Yakitori.

The Colorado Springs, Colo., company hopes to sell 36% of its stock for up to $1.35 million, which would be used to market franchises and pay salaries.

On Three-Y's board of directors is Donald Foltz, who was president of the Mr. Steak family steakhouse chain from 1963-70 before becoming a franchising consultant.

Among the prospectus's duly noted "risk factors": The company's business has been a little off lately, to the tune of a $90,600 net loss in the latest six months on revenue of $533,000. "No assurance can be given that these recent trends will be corrected," it says.

Wrong Number

The Great San Francisco Seafood Grill Inc. of Aurora, Colo., has no seafood grills. But the prospectus promises it will—after investors stake the company to $540,000 by buying 40% of the venture from its parent, a company which wholesales and retails seafood.

The company says up front it has "no earnings, no revenues, or operating history." If that's not enough, try: "The restaurant business has the highest failure rate in the United States." Or, "The company's officers and directors have no prior experience in managing restaurants."

STOCK-PICKERS' PICKS: Richard Simon at Goldman Sachs is a contrarian on Wendy's (recent price: $22). Noting that same-store sales growth eased from 17% in 1984's first quarter to 4% in the last, Simon worries that the new year's slow start for the industry could hurt Wendy's. In addition, the national breakfast rollout could pressure margins, he says. Simon is "neutral" on the stock.

Heartened by good initial reports on the Sambo's acquisition of 175 Sambo's units, Richard Pyle at Piper, Jaffray & Hopwood in Minneapolis has tagged a buy signal on Vicorp Restaurants ($25).

Powered by nuggets and catfish, John Weiss at Montgomery Securities in San Francisco sees Church's ($35) reaching $45 after the market catches on to the company's sales momentum.

Chi-Chi's 3rd-quarter net down; sees decline for year

By Mark Schoifet

LOUISVILLE, Ky. — Chi-Chi's recorded a net profit of $2.6 million for the third quarter ended Jan. 31, a 28% decline from the figure for the year-earlier period. Shelly Frank, chairman and chief executive, said that, based on nine-month results and projections for the fourth quarter, the company would show a moderate decline in fiscal 1985.

The chain recorded third-quarter revenues of $51.7 million, a 29% increase.

Frank blamed inclement weather for the reduction in unit sales volumes and the delay of new-store openings. He also said that during the quarter the chain had introduced a char-broiled line of products, which raised costs.

"While these char-broiled items had an unfavorable impact on our earnings in the quarter primarily because of incremental training and advertising costs that were incurred when introducing the new product line, we are very pleased with our customers' strong acceptance of these new products," Frank said.

He said the chain's recent acquisition of five Cooky's Steak Pub sites in the New York City area would allow for a strong penetration into the Northeast.

Revenues for the first nine months of fiscal 1985 were $149.2 million, a 26% increase from the figure for the same period a year ago. Net profit for the nine-months was $12.1 million, almost unchanged from $12.2 million a year ago.

Chi-Chi's is the operator and franchisor of 166 Mexican dinnerhouses. The system consists of 88 company-owned restaurants and 78 franchised units in 36 states and Canada.

Fourteen company-owned restaurants are scheduled to open in the current quarter.

WALL STREET UPDATE

Index dips 2.6 to 117.3; losers outpace gainers

By Donald Jeffrey

NEW YORK — Amid a sharp overall decline in the stock market, the *Nation's Restaurant News* Stock Index dropped 2.6 points, closing at 117.3 on March 15.

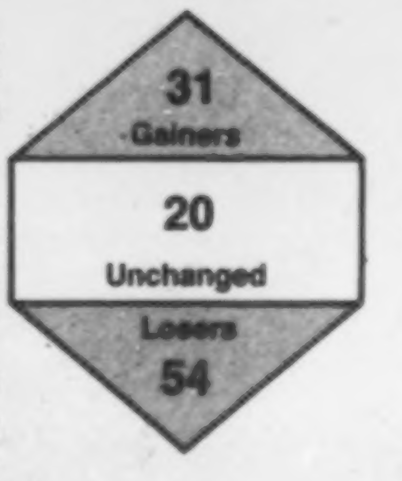
The Dow Jones Industrial Average closed at 1,247.35, a decline of 22.31 in the week. Analysts said it was due to trepidation about the continued health of the economy. The Government announced last week that industrial output in February had dropped 0.5%.

On the complete *NRN* listing, which includes lodging and diversified companies, price-change losers outnumbered winners, 54 to 31, with 20 unchanged.

The top three losers were G. D. Ritzy's, down 13.6%, to $2.38; Flakey Jake's, down 12.3%, to $7.13, and Benihana, down 10.1% to $19.

The biggest price gainer was Concept Development, up 19.4%, to

(See INDEX, page 54)



Noble Roman's net profit rises 45% to $100,718

BLOOMINGTON, Ind. — Recouping its investment in Dayton, Ohio, Noble Roman's Inc., a 90-unit pizza chain, said net profit had risen 45% year-to-year, to $100,718, in the fourth quarter ended Dec. 31. Revenue also rose 45%, to $4.5 million.

For the year the company posted a 58% net profit decline, to $145,732, on a 53% revenue rise, to $17.8 million.

Noble Roman's said its heavy investment in establishing the Dayton, Ohio, market undercut earnings in late 1983 and through the first half of 1984.

Since mid-1983, when Noble Roman's had three Dayton units, the company has expanded its penetration to 22, including seven picked up in the acquisition of an 18-unit Godfather's franchisee.

Cassano's Pizza & Subs, which is based in Dayton, has about 40 outlets there, and Pizza Hut has less than 30.

Acapulco trims loss; sales up 13%

PASADENA, Calif. — Acapulco Restaurants Inc., a 31-unit chain of Mexican dinnerhouses, said that, for the first quarter ended Jan. 27, it had narrowed its loss to $81,000 from $174,000.

Sales rose 13% to $9.5 million. Three restaurants were added since a year ago.

The company also said a costly first-quarter giveaway food promotion failed to increase volume.

El Chico's net up 19% in 3Q

DALLAS — Riding a 17% customer count gain, El Chico Corp. posted a 19% year-to-year net profit increase, to $877,000, for the third quarter ended Feb. 8.

Revenue was up 21%, to $20.5 million, and systemwide sales at the 91-unit chain of Tex-Mex dinnerhouses were up 25%, to $23.6 million, for the quarter.

The company said cost-cutting measures pushed operating profit for the quarter up 68%, to $1.3 million. Sales rose on a 2% menu price hike; but an additional 17% was due to increased table turns, the company said.

For the nine-month period, net profit rose 10%.

C5150-5

Specialty foods and produce are becoming easier to find
—Focus/F3-4

Today's hot new properties . . . Are they tomorrow's headache?
—Page 46

Nation's
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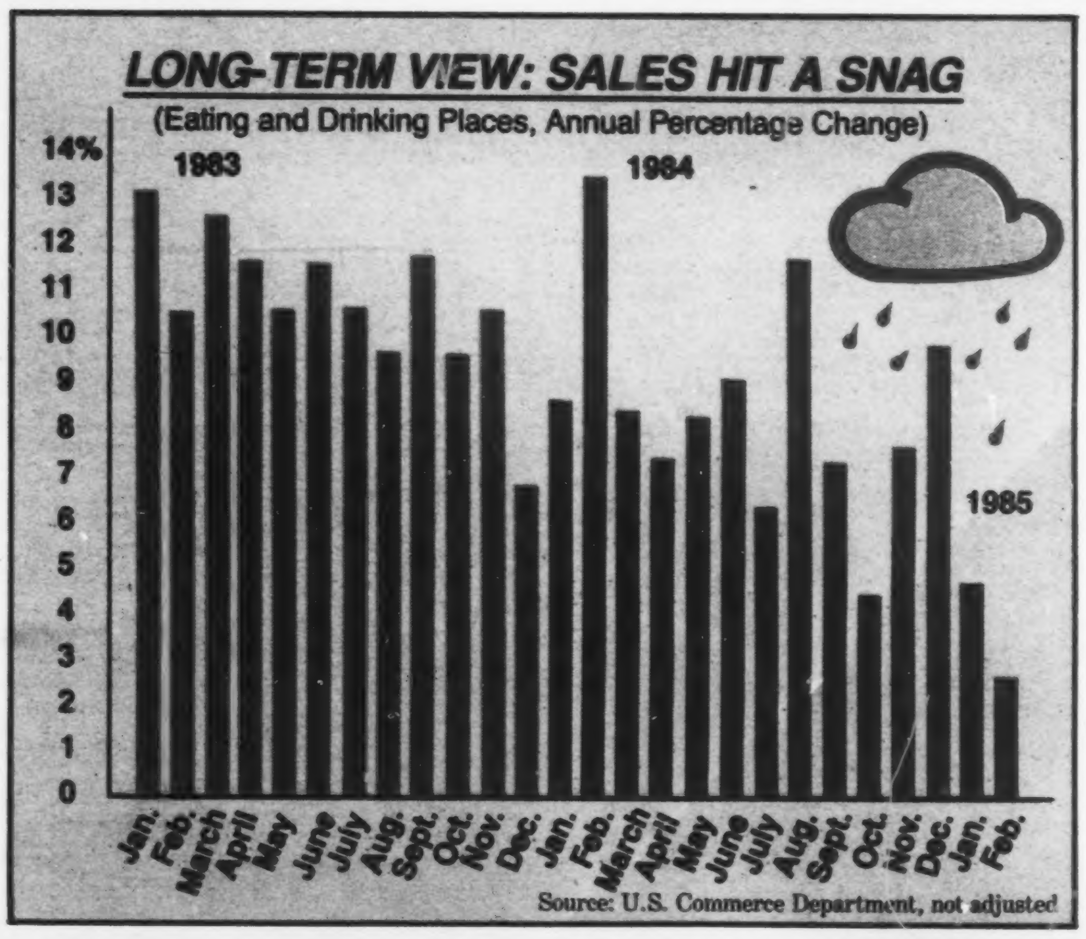


Source: U.S. Commerce Department, not adjusted

Sliding sales spark fears of industrywide shakeout

By Rick Telberg

NEW YORK — Unusually harsh winter weather and an increasingly competitive marketplace have staggered sales and earnings trends at many restaurant companies.

"Customer-count increases on a year-to-year basis are being enjoyed by very, very few companies," Tom Gregory, president of Sizzler Restaurants, told an institutional investors' conference, where sagging sales trends emerged as the major issue and shakeout was the buzzword.

"The competition is very severe and getting more severe," Dan Evins, president of Cracker Barrel Old Country Store, said at the meeting sponsored by Montgomery Securities of San Francisco. "A lot of people are struggling to stay alive."

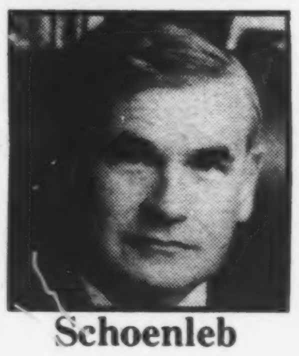
John Tobe, president of Jerrico Inc., said traffic counts at the company's Long John Silver's Seafood Shoppes were down 10% in January from those of a year before and flat in February. Despite a 20% rebound in March, Tobe shaved Jerrico's profit outlook to a 15% annual rise from 20% because of sales lost as a result of weather.

Independent experts, contacted separately after the New York conference, agreed that weather and a slowing economy had conspired to undercut sales. While one economist saw improvement in consumer spending as the year

*(See **SALES**, page 43)*

New president for Bojangles'

Schoenleb replaces Fulk as head of Horn & Hardart chicken chain



Schoenleb

CHARLOTTE, N.C. — Completing a five-month executive search, Horn & Hardart Co. of New York has named former Swensen's president E. Christian Schoenleb as president of the 323-unit Bojangles' chicken and biscuit chain here.

"I want to take Bojangles' to the next step," said the 50-year-old fast-food veteran, "to a strategic marketing orientation, rather than the down-and-dirty, operational 'let's-get-this-thing-up-and-running' orientation." *(Bojangles' has begun testing roast chicken. Related story, page 2.)*

Schoenleb succeeds Jack Z. Fulk Sr., who retired at age 47 in January after the expiration of his three-year employment contract with Horn & Hardart.

Although Schoenleb will be reporting directly to Horn & Hardart president John T. Gerlach, he will be renewing old ties with Horn & Hardart

*(See **BOJANGLES'**, page 43)*

Operators battling to maintain Federal job credit program

Rangel

Sarasin

By Ken Rankin

WASHINGTON — With the $7.2 billion Federal Targeted Jobs Tax Credit program (T.J.T.C.) under intense fire from Reagan Administration budget cutters, food-service industry lobbyists and restaurant chain executives have joined the battle to preserve Government wage subsidies to employers of disadvantaged workers.

Despite increasing evidence that the program in its current form will not be extended beyond its year-end 1985 expiration date, the industry has taken its case to Congress in hopes of hammering out a compromise that will maintain at least some portion of the T.J.T.C. subsidies.

At stake is a $3,000-per-worker Federal allowance for employers who aggressively recruit individuals certified as belonging to one of several "targeted" population groups. Under the subsidies a number of leading food-service chains have managed to trim their labor costs by millions annually.

Testifying before Rep. Charles Rangel's (D-N.Y.) House Ways and Means Subcommittee, Ron Sarasin, the National Restaurant Association Government relations director, called the T.J.T.C. "one of the most efficient uses of tax incentives to create jobs for the chronically unemployed," while officials from several major food-service chains provided Congress with statistics.

*(See **JOBS**, page 43)*

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NEWSPAPER

Fuddruckers' McDermott resigns post

Baumhauer assumes control after struggle

By David Zuckerman

SAN ANTONIO — Marno M. McDermott Jr. has resigned as Fuddruckers chairman after a bitter struggle for operational control of the company. William H. Baumhauer, president and chief executive, has also assumed the chairman's post.

McDermott, who founded Chi-Chi's in 1976 and became Fuddruckers chairman two years ago, said he renounced the position because he had "no confidence" in Baumhauer as ceo and because Fuddruck-

*(See **McDERMOTT**, page 43)*

Ralston Purina Co., St. Louis, Mo.
World's largest producer of pet foods and commercial feed for livestocl and poultry; operates nation's largest wholesale bakery, Continental other grocery products include cereal and canned tuna. Operates 72 Jack in the Box fast-food restaurants, franchises 61 to others, througl San Diego-based Foodmaker Inc. (revenue and operating profit i 1984 of $628 million and $61 million, respectively, about 12% of Ra ston Purina's revenue and operating profit).
Latest three-month revenue: $1,577.6 million, up 18.9%
Latest three-month earnings: $82.8 million, up 2.5%

PepsiCo, Imasco bid for Jack in the Box

By Richard Martin

ST. LOUIS — PepsiCo, owner of Pizza Hut and Taco Bell, and Imasco, Hardee's parent, have surfaced as the probable leading contenders to buy the 788-unit Jack in the Box fast-food chain from Ralston Purina.

Analysts who name PepsiCo and Imasco as likely buyers said the sale of the San Diego-based Foodmaker Inc., the Ralston subsidiary that operates Jack in the Box, could fetch from $400 million to $500 million for the St. Louis-based parent. Ralston has been bolstering its strength

*(See **JACK**, page 43)*

Southern Hospitality unveiling new concept

Oldham wants franchise-based company to establish its own identity

By Howard Riell

NASHVILLE — Southern Hospitality Corp., the largest Wendy's franchisee in the South as well as a Mr. Gatti's franchisee, is planning to strike out on its own within the next few months with a concept still under wraps.

Company executives are touting it as "unique in the fast-food business."

"This will give us a chance to establish our own identity," said the company's flamboyant chairman, R. Wayne Oldham, in an interview.

"We don't want to be a 'me-too' anything. We think we have thought through the concept. I am confident in my mind it will work. We're fortunate enough to have the money to do what we want to do," Oldham said.

Chairman R. Wayne Oldham behind his desk at Southern Hospitality Corp.'s Nashville headquarters.

For the third quarter ended Feb. 28, the company—which franchises 30 Wendy's and 15 Mr. Gatti's pizza restaurant units—notched a net profit of $201,168, up 5.7% over the figure for the same period in 1984, on revenue of $8.3 million. For the nine-month period, the company's net profit was $978,946, up 23.5% over year-earlier results.

Whatever the new concept is, Oldham and president Henry R. Hillenmeyer are doubtless hoping it will fare better than the fast-food/convenience store concept the company came up with in 1982. David McKenzie, vice president of corporate relations, said Southern Hospitality took the idea all the way through the research and development stage before "costing it all out" and discovering that returns on investment "would not justify the necessary capital expenditures." The 5,000-sq.-ft., $850,000 prototype unit was never built, McKenzie said, and the idea was scrapped.

"There's no such thing as a good market," said Oldham. "You've got to make it good."

Southern Hospitality sold its eight-restaurant full-service division last December for $5.34 million to CTI Restaurants Inc., a company formed by Arthur Seelbinder and the top management staff of the full-service division. "We can open three Wendy's for what it costs us to open a dinnerhouse," said McKenzie at the time. "A typical Wendy's unit costs about $550,000 to build. A Tempo's [one of the full-service units sold] costs in the vicinity of $1.8 million." High labor costs, particularly executive labor, was another factor in selling the dinnerhouses. Other full-service properties sold included two more Tempo's, three Ireland's and two Southern Cooker restaurants.

Oldham, an Arkansas native who says he's eying a possible run at the mayoralty of Nashville, said the new concept is slated to open in five to six months and it will have nationwide expansion potential.

He also predicted "a fast-food shakeout for sure" but added, "I don't think the world is anywhere near tired of fast food." He also said he would eventually franchise the idea but not until he'd opened at least six company units.

Easter promotions to center on breakfast, brunch

By Ken Frydman

NEW YORK — With a bevy of special Easter promotions on tap, restaurant operators across the nation are preparing for the vast influx of holiday traffic that has become a standard feature of Easter Sunday, April 7.

As in the past, special offers will target the before- and after-church crowds, seeking a dining-out experience to match the holiday spirit. Promotions this year will focus heavily on breakfast and brunch, although some dinner packages are also planned.

The Morrison's Cafeteria in Louisville's JVJ Mall will offer a $1 Easter Sunday breakfast, the second of its holiday promotion specials. Last Christmas the 300-seat in-line mall unit drew 700 customers for the same $1 breakfast, consisting of fruit, scrambled eggs, bacon, sausage gravy and biscuits and milk, tea or coffee.

Once again, the mall's management company will subsidize the promotion.

"The meal's food costs are $3 per person, which we charge the mall," said Tim Snodgrass, associate manager of the Morrison's unit. "So every dollar we take in is $1 profit."

Morrison's Christmas meal promotion resulted in a 10% increase in regular customer traffic and additional mall customers. Snodgrass expects similar results this time.

"We should do 700 to 1,000 counts between 8 a.m. and 10 a.m., which will mean an extra 500 customers throughout the mall after breakfast," he said.

Should the Easter breakfast promotion reach expectations, Morrison's plans to roll out the program throughout the 160-unit system beginning next December.

In Chicago the Ritz-Carlton Hotel dining room, Gordon's, Mallory's on Wells, Mallory's at the Top of Hyde Park and Sinclair's in Lake Forest will all offer Easter brunch specials.

"It's a tradition in Chicago to get dressed up on Easter, go to church and then have brunch," said a spokesman for several Chicago-area restaurants. "People look better on Easter, and they spend more money in restaurants when they're out with the whole family."

The Ritz-Carlton dining room will feature a $22.50 per-person buffet, including duck and pheasant pâté, a whole roast leg of lamb and roast tenderloin Wellington. The brunch will be completed with chocolate Easter eggs and bunnies, a custom common to restaurants everywhere.

In New York the Hotel Inter-Continental is offering a special package deal on Easter weekend. A suite, normally $300, will rent for $73.50, while a deluxe room will go for $58.50 a night.

The package includes complimentary orange juice, coffee, a croissant, an assortment of pastries and a cocktail. The Inter-Continental is currently publicizing the reduced weekend rates with a local print ad headlined: "This place is always hopping. Imagine what it's like on Easter."

One of the Inter-Continental's two on-site restaurants, The Barclay, expects its $23 per-person Sunday brunch to attract 300 customers—many of them hotel guests—on Easter.

"We usually do 250 covers for Sunday brunch, but the hotel will be more occupied on Easter weekend than on most weekends," said Barclay floor manager Susan Beldock. The Inter-Continental's other restaurant, the four-star La Récolte, is closed Sundays.

'People look better on Easter, and they spend more money . . . when they're out with the whole family.'

COMMODITIES

Farm bill changes: many implications for operators

By Gary S. Friedman

The implications of the change in the farm bill for most commodity prices will be substantial. However, it would be foolish to think that all commodities will be affected equally.

A case in point is that of the domestic sugar industry. Americans in 1983 consumed 8.9 million tons of sugar, raw value. While per capita refined sugar use was 71 lb., a decrease of 2.7 lb. over the year earlier, and a 12.6 per pound decline over 1980, sugar as an industry still has a lot of clout despite the declining demographics.

More than 100,000 U.S. workers are directly dependent on the domestic sugar industry. Indirectly it is calculated that the number grows to 250,000. Sugarbeets are grown in 13 states, while sugar cane is grown in four states and Puerto Rico. In Florida alone the economic contribution is $1 billion.

Besides those impressive figures, what makes the commodity unique is the market both domestic and worldwide. Unlike most of the other commodities, 75% of all world sugar is consumed in the country of origin. Sugar more than any other commodity is subject to political implications because most producers, including Cuba, are in dire need of foreign-exchange reserves.

However, the U.S. is still the second-largest importer of sugar, with domestic sugar meeting only 60% of our needs.

Recall the days before 1981, when Congress enacted a new sugar program as part of the current farm bill. During the unstabilized period between 1974 until then, when there was no sugar bill, sugar prices soared as high as 64¢ per pound and dropped as low as 10¢ per pound, only to rise again to 42¢ and decline once more to 10¢.

Such dramatic market movements forced many Americans to boycott sugar.

Many farmers have stopped planting cane and beets and have gone out of business. Thirty-four processing plants went under, and no capital investment existed because no one was able to forecast any reasonable long-term projections.

With the loan provisions of the farm bill, a safety net of 17.75 per pound was inserted, with the sugar itself serving as collateral. But while the price would be lower arguably if there were no safety net, as history shows, it can be much, much higher. And if you look at the percentage increase and decline between the prices, the levels are astronomical.

The difference between this commodity and the others points to the fallacy of lumping all of them together when one weighs the necessary choices in the markets and in the legislatures.

PRICE MOVEMENT AT A GLANCE

Cash prices	**3/20/85**	**Year Ago**
Broilers, Dressed "A" NY lb.	0.5003	0.6611
Corn, No. 2 yel Cent. Ill. bu.	2.69	3.39
Egg, large white Chgo dz.	0.62	0.85
Hams, Iowa-S. Minn. avg. cwt.	42.50	47.50
Potatoes, round white, 50 lb. fob Maine	2.12	4.11
Steers, Omaha, choice, avg cwt.	59.25	69.50

Source: *NRN* Research

Index rises to 119.9; merger activity spurs market

(Continued from page 46)

The biggest loser was Fresher Cooker, down 50¢ to close at $2.50.

Another declining issue was Pizza Inn, down 75¢ to close at $9 a share. The Dallas-based pizza chain reported last week that net income for 1984 was $1.6 million, less than half as much as in 1983.

On the 105-issue *NRN* stock listing, issues trading in lower volume last week than the previous 12-week average outnumbered gainers, 77 to 28. The leader in volume surge was PepsiCo: 43.5 million shares were traded last week.

On the other end of the scale, only 109,000 shares of G. D. Ritzy's stock changed hands last week, an 85.4% decline from the average.

Issues that reached yearly price highs last week included Chili's, $26; Hamburger Hamlet, $14.50; Jerrico, $19.50; Wendy's, $17.25; Sonesta International Hotels, $26.50; PepsiCo, $52.75, and Pillsbury, $48.38.

Among widely held stocks, Church's Fried Chicken rose $1.75 last week to close at $36.63. The chain has been reporting significant sales gains in its rollout of fried catfish.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
PepsiCo Inc .... N	145.4	Flakey Jakes .... M	86.8
Garcias Scot .... M	122.3	TGI Friday's .... N	77.6
Acapulco Rests .... O	120.3	Hungry Tiger .... M	50.7
Pancho Mex Buffet ... M	98.3	Fresher Cooker .... O	46.8
Shoney's Inc .... M	93.0	Rest Assoc .... A	46.6

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Garcias Scot .... M	21.6	SIS Cp .... M	8.1
Ritzys G D .... M	15.8	Wendys Intl .... N	7.9
Nankin Express .... O	9.1	Benihana Natl .... M	7.9
Acapulco Rests .... O	9.1	Concept Dev .... O	7.5
Sonesta Intl .... M	8.2	Morrison Inc .... M	7.0

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Fresher Cooker .... O	- 16.7	Kelly-Johnston .... M	- 11.1
Primo Inc .... O	- 14.3	Esteban Foods .... O	- 10.5
Peoples Rest .... M	- 12.5	Nathans .... O	- 9.7
Flakey Jakes .... M	- 12.3	Kapok Cp .... A	- 9.5
A&M Food Svcs .... O	- 12.0	Maverick Rest .... O	- 9.1

	Stock Market											Financial Update																	
	Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
	3-22-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs .... O	5.50	- .75	- 12.0	6.00	5.50	7.50	3.50	284	.80	1.17	- 31.6	17.2	.00	.0	.....	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests .... O	4.50	.38	9.1	4.75	4.13	5.00	3.50	351	1.41	.64	120.3	15.5	.00	.0		3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Amer Rest .... O	3.88	- .13	- 3.1	4.13	3.88	6.00	2.38	119	.52	.51	2.0	20.4	.00	.0	.....	9 mos.	10-84	4.6	17.9	.1	.0	.02	- 60.0	13.6	25.9	.3	.0	.12	- 40.0
Assoc Hosts .... M	13.75	.75	5.8	14.25	12.88	17.13	10.50	1,573	3.56	2.85	24.9	16.6	.12	.9	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char .... A	2.50	.13	5.3	2.50	2.25	4.13	1.75	241	.42	.78	- 46.2	NE	.00	.0	.....	fiscal	10-84	23.5	7.8	(6.3)	NE	(1.13)	- 100.0	92.2	- 3.2	(8.0)	NE	(1.43)	- 100.0
Benihana Natl .... M	20.50	1.50	7.9	20.63	18.88	21.75	7.38	686	2.36	4.56	- 48.2	22.3	.00	.0	.....	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms .... M	19.38	.13	.6	19.50	19.00	20.25	14.75	692	.43	1.00	- 57.0	17.9	.30	1.5	.....	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp .... M	1.13	.00	.0	1.25	0.88	7.25	1.00	40	.13	.45	- 71.1	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food .... M	12.50	- .13	- 1.0	12.75	12.38	13.25	7.25	951	2.10	3.11	- 32.5	19.8	.16	1.3	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab .... M	1.88	- .13	- 6.3	2.00	1.88	6.13	1.38	1,235	.81	1.43	- 43.4	NE	.00	.0	.....	fiscal	08-84	1.7	466.7	(.4)	NC	(.03)	NE	5.4	260.0	(1.0)	NC	(.08)	NE
Carrols Cp .... N	9.88	- .25	- 2.5	10.38	9.63	11.50	7.13	827	1.07	1.18	- 9.3	14.1	.07	.7	.....	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's .... M	11.38	.25	2.2	11.75	11.13	18.25	10.00	11,166	4.14	4.63	- 10.6	18.1	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 26.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's inc .... M	25.88	- .13	- .5	26.00	25.75	26.00	12.75	680	1.51	2.63	- 42.6	38.1	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch .... N	36.63	1.75	5.0	36.75	34.75	37.00	22.13	2,801	1.49	2.25	- 33.8	16.2	.80	2.2		fiscal	12-84	182.4	20.2	14.5	79.0	.77	140.6	533.2	17.3	42.6	34.8	2.26	36.1
Collins Foods .... N	20.38	.63	3.2	20.63	19.63	22.13	9.91	1,434	1.09	1.30	- 16.2	15.4	.16	.8		9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev .... O	10.75	.75	7.5	11.50	10.50	17.31	5.75	646	1.25	1.60	- 21.9	14.0	.00a	.0		6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts .... M	4.75	.00	.0	4.88	4.75	8.00	4.63	78	.22	.35	- 37.1	13.6	.08	1.7	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant .... M	5.50	.00	.0	5.88	5.50	13.50	4.50	705	1.57	2.17	- 27.6	91.7	.00	.0	.....	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel .... M	14.00	.25	1.8	14.25	13.75	23.50	11.75	151	.42	1.30	- 67.7	16.9	.14	1.0	.....	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc .... O	5.25	.25	5.0	6.00	5.00	5.25	2.75	166	.96	.73	31.5	40.4	.00	.0		6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods .... M	10.50	.50	5.0	10.50	9.75	16.75	8.00	23,205	6.88	6.99	- 1.6	19.4	.34	3.2	.....	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer .... M	12.38	- .13	- 1.0	12.50	12.13	15.50	10.88	1,812	3.59	4.13	- 13.1	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts .... M	27.38	.13	.5	27.75	27.25	28.00	18.88	658	1.39	2.68	- 48.1	14.0	.32	1.2	.....	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico .... M	10.25	- .13	- 1.2	10.50	10.25	10.88	7.25	1,096	2.36	1.78	32.6	13.1	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest .... N	14.13	- .50	- 3.4	14.75	14.00	14.88	9.13	1,210	1.09	.92	18.5	14.6	.00	.0	.....	fiscal	12-84	61.1	13.6	2.1	110.0	.19	35.7	250.1	18.7	11.1	42.3	.97	42.6
Fast Food Oper .... O	.75	.00	.0	0.81	0.75	1.69	.69	55	.09	.60	- 85.0	10.7	.00	.0	.....	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes .... M	6.25	- .88	- 12.3	7.00	6.00	9.13	5.13	3,859	5.53	2.96	86.8	NE	.00	.0	.....	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Fresher Cooker .... O	2.50	- .50	- 16.7	2.75	2.50	6.75	2.50	154	.91	.62	46.8	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's .... A	20.25	.25	1.3	20.50	20.13	20.88	12.00	92	.21	.16	31.3	17.5	.22	1.1	.....	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc .... M	10.13	.13	1.3	10.13	9.38	16.25	8.50	3,468	5.33	4.14	28.7	NC	.00	.0	.....	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot .... M	2.81	.50	21.6	3.06	2.13	6.38	1.63	3,221	5.38	2.42	122.3	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco .... M	.69	.00	.0	0.75	0.69	4.00	.25	954	3.22	2.53	27.3	NE	.00	.0	.....	6 mos.	08-84	.4	100.0	(.3)	NE	(.11)	NE	.8	166.7	(.6)	NE	(.24)	NE
Hambrg Hamlet .... O	13.75	.00	.0	14.50	13.75	14.50	9.75	2	.03	.17	- 82.4	7.4	.00	.0		9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger .... M	6.00	.00	.0	6.25	5.75	7.50	3.63	951	3.30	2.19	50.7	31.6	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen .... O	43.50	.00	.0	45.00	43.00	50.50	34.50	38	.19	.26	- 26.9	12.2	.00	.0	.....	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab .... M	23.25	.50	2.2	23.75	22.75	24.75	11.59	282	.99	3.53	- 72.0	17.4	.00a	.0		6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest .... M	19.63	.13	.6	19.63	19.38	21.50	10.38	551	2.37	4.59	- 48.4	15.8	.20	1.0	.....	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc .... M	19.50	.88	4.7	19.50	18.50	19.50	13.00	4,236	2.68	3.36	- 20.2	14.1	.12	.6	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp .... A	2.38	- .25	- 9.5	2.63	2.25	3.88	1.13	175	.78	.75	4.0	NE	.00	.0		6 mos.	03-84	6.4	106.5	(.8)	- 100.0	(.34)	NE	10.9	78.7	(2.1)	- 100.0	(.92)	NE
Karcher Carl .... M	17.63	.63	3.7	17.75	16.50	29.63	13.50	1,049	1.49	3.14	- 52.5	10.6	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston .... M	1.00	- .13	- 11.1	1.06	0.88	7.63	.75	2,354	2.76	4.60	- 40.0	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe .... N	28.38	- .63	- 2.2	29.38	27.38	32.00	23.63	657	.54	.40	35.0	18.7	.54	1.9		6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp .... M	16.63	- .13	- .7	16.88	16.63	17.13	11.88	82	.16	.41	- 61.0	10.8	.28	1.7	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp .... N	83.88	2.63	3.2	84.75	81.25	86.38	58.50	1,954	.76	.74	2.7	16.7	.54	.6	.....	fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest .... O	2.50	- .25	- 9.1	2.75	2.50	6.25	2.25	244	.49	.40	22.5	14.7	.00	.0	.....	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's .... O	4.00	- .25	- 5.9	4.25	4.00	6.75	2.50	43	.24	.83	- 71.1	NE	.00	.0	.....	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp .... N	58.75	- 1.00	- 1.7	60.25	58.50	62.38	40.84	8,876	1.03	1.18	- 12.7	13.4	.82	1.4		fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
Morrison Inc .... M	19.13	1.25	7.0	19.13	17.88	19.25	13.25	1,399	1.02	1.66	- 38.6	12.8	.48	2.5	.....	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak .... O	2.88	.13	4.5	3.13	2.75	3.25	1.13	315	.66	1.30	- 49.2	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express .... O	1.50	.13	9.1	1.88	1.38	2.50	1.00	375	1.67	1.26	32.5	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans .... O	3.50	- .38	- 9.7	3.88	3.50	4.50	1.78	185	.83	2.00	- 58.5	14.0	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza .... M	8.63	- .13	- 1.4	8.75	8.50	9.75	7.50	26	.05	.19	- 73.7	9.6	.00	.0	.....	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc .... M	5.13	.00	.0	5.13	4.88	10.13	4.75	1,328	2.98	6.16	- 51.6	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 .... O	1.50	- .13	- 7.7	1.63	1.50	12.25	1.50	280	1.28	1.50	- 14.7	30.0	.00	.0	.....	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

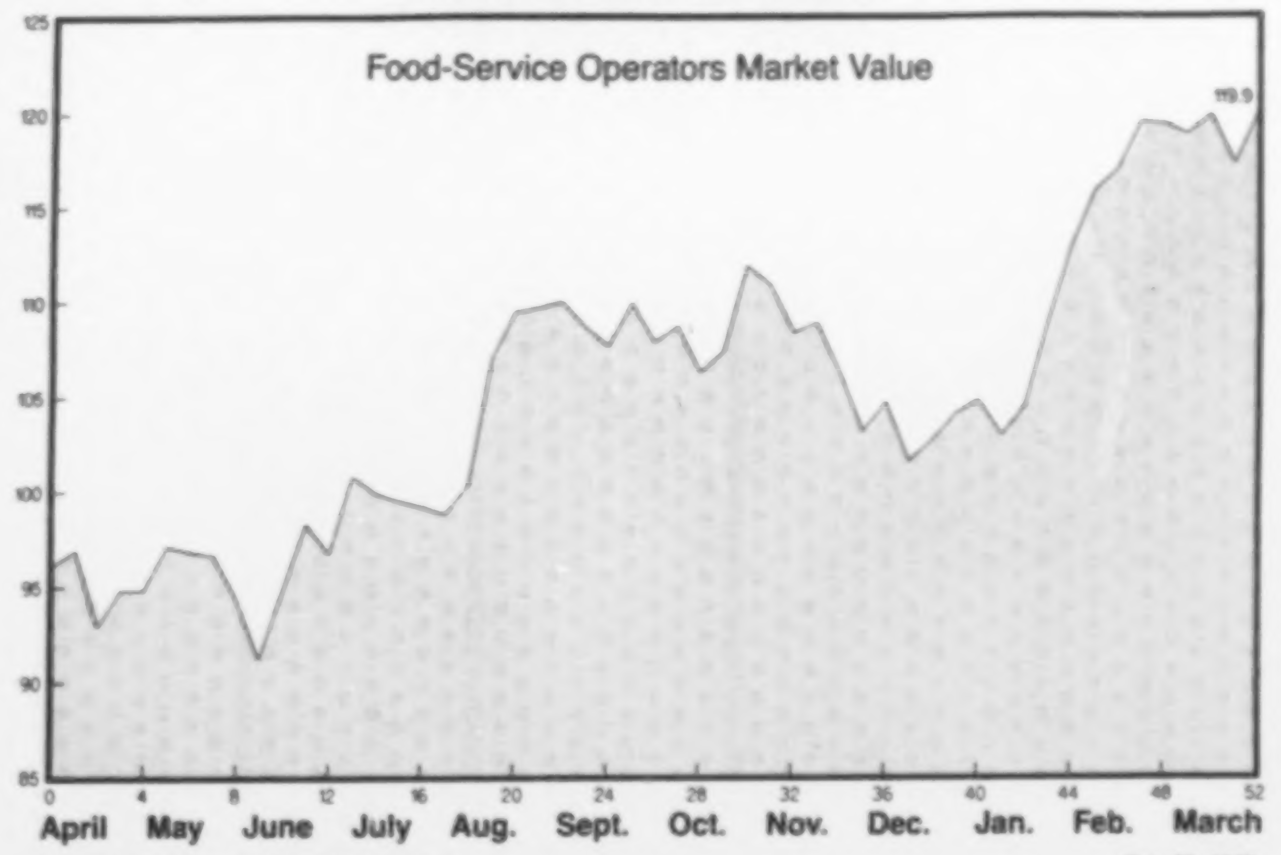
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

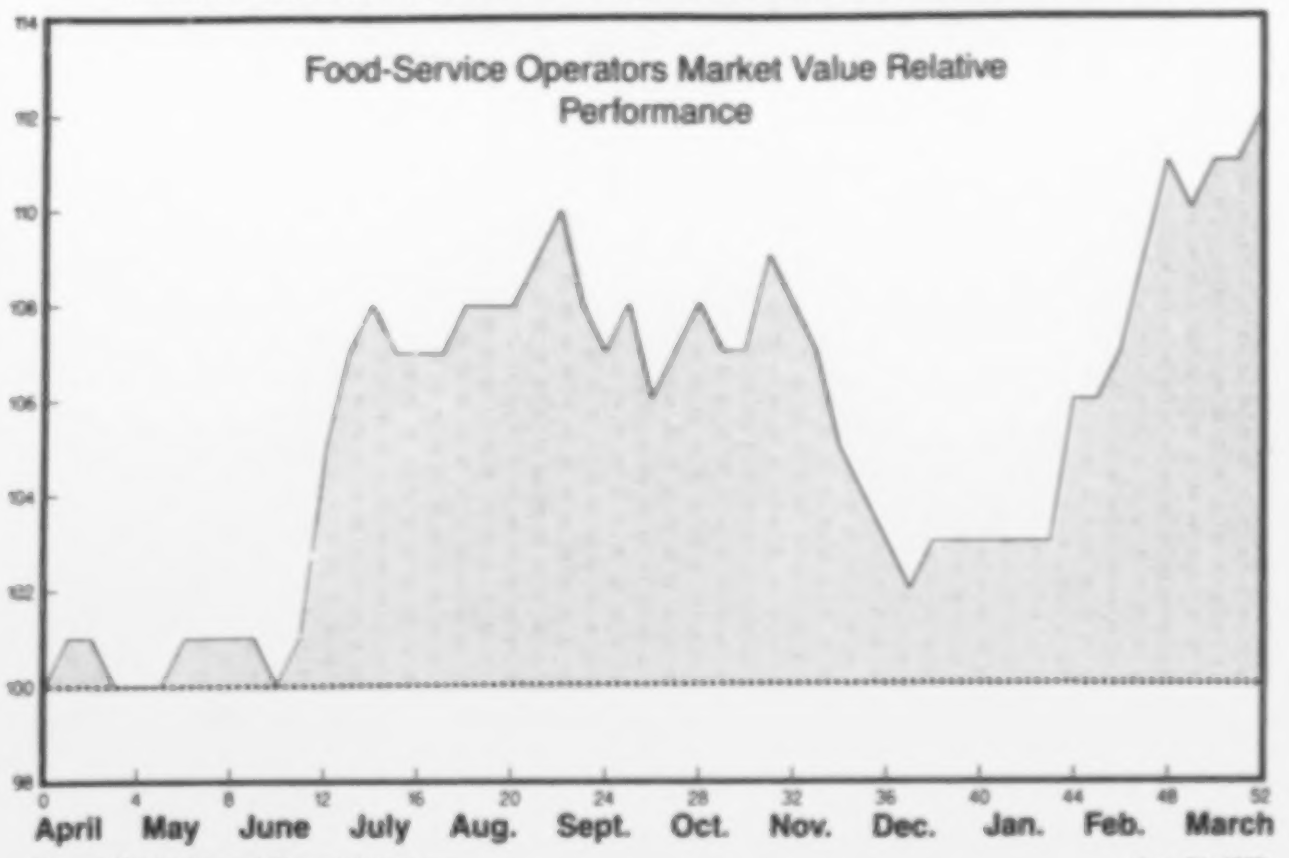
FINANCIAL NEWS

NRN STOCK INDEX



Source: Media General Financial Services Oct. 28, 1983

NRN STOCK INDEX VS. DOW JONES INDEX



Source: Media General Financial Services Oct. 28, 1983

	Stock Market											Financial Update																	
	Price							Volume					Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	3-22-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd O	5.00	.00	.0	5.50	5.00	6.25	4.00	47	.34	.36	- 5.6	9.8	.00	.0	—	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet M	7.25	.00	.0	7.38	7.13	8.25	5.88	3,954	10.65	5.37	98.3	12.9	.13	1.8		3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest M	.44	- .06	- 12.5	0.44	0.38	4.50	.25	3,026	3.51	6.17	- 43.1	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	22.88	- .13	- .5	23.00	22.50	24.25	16.50	420	.69	1.82	- 62.1	13.2	.60	2.6	—	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn A	9.00	- .75	- 7.7	9.88	8.88	12.75	6.88	474	1.56	1.11	40.5	8.7	.08	.9	—	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks M	10.75	- .50	- 4.4	11.25	10.75	16.63	8.75	200	.45	.92	- 51.1	14.9	.00	.0	—	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys N	13.63	.38	2.8	13.88	12.88	22.88	11.50	2,312	2.41	3.49	- 30.9	8.0	.40	2.9	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	3.00	- .50	- 14.3	3.50	3.00	4.63	2.38	369	1.09	1.19	- 8.4	NE	.00	.0	—	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants M	10.00	.25	2.6	10.00	9.25	16.38	8.00	362	.57	1.46	- 61.0	14.7	.00	.0	—	fiscal	07-84	26.9	18.5	1.7	30.8	.27	3.8	92.9	27.4	4.2	61.5	.68	19.3
Rest Assoc A	7.63	- .38	- 4.7	8.38	7.63	8.88	5.38	538	1.92	1.31	46.6	10.4	.00	.0	—	9 mos.	09-84	35.0	- 4.1	.4	- 33.3	.14	- 39.1	97.8	- 7.3	1.0	- 23.1	.35	- 30.0
Restaurant Sys M	15.75	.00	.0	16.25	15.75	16.50	9.00	282	1.22	1.21	.8	17.7	.00	.0	—	fiscal	12-84	8.5	13.3	.5	25.0	.21	23.5	36.4	23.0	2.1	50.0	.89	23.6
Ritzys G D M	2.75	.38	15.8	2.75	2.38	8.75	1.75	109	.21	1.44	- 85.4	NE	.00	.0	—	fiscal	12-84	3.3	50.0	(2.7)	NC	(.52)	- 100.0	13.9	87.8	(4.3)	NE	(.83)	NE
Rusty Pelican M	14.75	- .13	- .8	15.25	14.75	18.25	11.00	130	.46	2.14	- 78.5	19.7	.00	.0	—	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	17.00	.00	.0	17.00	16.25	17.75	10.84	685	1.06	2.13	- 50.2	33.3	.00	.0	—	fiscal	12-84	9.3	66.1	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp N	30.00	.13	.4	30.50	29.75	35.50	25.88	1,881	1.44	2.11	- 31.8	11.8	.52	1.7	—	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef M	8.25	.00	.0	8.63	8.25	10.25	6.75	44	.35	.97	- 63.9	13.5	.00	.0	—	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley M	8.50	.50	6.3	8.75	8.00	11.00	6.50	2,892	7.36	5.92	24.3	NE	.00	.0	—	9 mos.	09-84	15.7	- 14.2	3.0	NE	.76	- 17.4	48.3	- 11.9	5.3	NE	1.35	1587.5
Shoney's Inc M	28.00	1.00	3.7	28.50	26.63	28.38	16.22	9,362	3.30	1.71	93.0	25.7	.15	.5		fiscal	10-84	109.8	11.2	8.3	31.7	.29	20.8	469.8	19.6	30.2	29.1	1.09	23.9
Shoney's South M	14.75	.13	.9	14.75	14.38	16.59	11.00	446	.79	1.18	- 33.1	11.8	.00	.0	—	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp M	5.00	.38	8.1	5.00	4.50	8.50	3.25	33	.21	.70	- 70.0	NE	.00	.0	—	9 mos.	09-84	2.1	61.5	(.1)	- 100.0	(.02)	- 100.0	5.6	86.7	(.1)	- 100.0	(.05)	- 100.0
Sizzler Rest Intl M	18.25	- 1.00	- 5.2	18.75	18.25	20.00	9.25	233	.34	.96	- 64.6	13.1	.00	.0		9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	11.75	- .75	- 6.0	12.25	11.75	12.50	8.00	289	1.06	2.03	- 47.8	12.6	.06	.5	—	fiscal	12-84	20.8	28.4	.9	50.0	.30	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	5.38	.00	.0	5.38	5.25	5.88	3.75	1,596	3.33	4.52	- 26.3	15.4	.00	.0	—	6 mos.	11-84	10.3	18.4	.4	33.3	.08	14.3	21.0	25.7	.8	33.3	.16	14.3
Taco Viva M	9.88	- .13	- 1.3	10.25	9.75	11.25	7.00	184	.81	1.43	- 43.4	18.6	.00	.0	—	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's N	10.63	.25	2.4	11.00	10.25	13.13	7.88	2,175	1.90	1.07	77.6	16.3	.00	.0	—	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	17	.11	.24	- 54.2	NE	.00	.0	—	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld N	34.13	- 1.00	- 2.8	35.25	34.00	37.63	24.50	4,892	1.50	2.51	- 40.2	10.9	.40	1.2	—	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	5.38	.25	4.9	5.38	4.88	5.75	2.75	1,540	2.45	3.42	- 28.4	15.4	.28	5.2	—	3 mos.	12-84	4.6	15.0	.4	- 20.0	.07	- 30.0	4.6	15.0	.4	- 20.0	.07	- 30.0
Vicorp Restaurants M	24.88	.25	1.0	25.13	23.88	26.25	13.25	1,765	2.66	4.53	- 41.3	18.8	.12	.5		fiscal	10-84	87.9	145.5	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations M	4.00	- .13	- 3.0	4.00	3.75	8.00	2.13	287	.81	3.98	- 79.6	NE	.00	.0	—	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl N	17.00	1.25	7.9	17.25	15.88	17.25	9.84	10,935	1.49	2.40	- 37.9	18.1	.21	1.2	—	fiscal	12-84	249.9	27.0	17.6	18.9	.24	20.0	944.8	32.1	68.7	24.5	.94	23.7
Wstn Steer M	9.88	.38	3.9	9.88	9.50	12.00	9.00	27	.22	.44	- 50.0	17.3	.20	2.0	—	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	6.63	.25	3.9	6.88	6.38	13.38	5.13	368	.82	1.06	- 22.6	17.9	.00	.0	—	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.88	- .13	- 4.2	3.00	2.63	6.00	2.63	1,208	.92	.99	- 7.1	NE	.10	3.5	—	9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels N	59.50	1.50	2.6	59.88	57.88	63.38	45.50	1,927	.78	1.31	- 40.5	13.7	1.80	3.0	—	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.30	35.3
Holiday Inns N	50.00	- .50	- 1.0	51.00	49.75	52.88	35.25	6,064	1.74	4.85	- 64.1	13.9	1.00	2.0	—	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	22.00	- 1.38	- 5.9	23.13	21.75	24.28	12.47	1,591	.82	1.32	- 37.9	22.9	.09	.4	—	3 mos.	09-84	47.9	192.1	5.8	26.1	.30	25.0	47.9	192.1	5.8	26.1	.30	25.0
Ramada Inns N	6.75	.00	.0	7.00	6.75	8.25	5.13	2,711	.73	2.39	- 69.5	22.5	.00	.0	—	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc M	18.13	- .13	- .7	18.50	17.75	22.28	12.28	53	.15	.46	- 67.4	8.5	.00a	.0	—	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl M	26.50	2.00	8.2	26.50	24.00	26.50	17.50	13	.09	.11	- 18.2	7.7	.40	1.5	—	fiscal	12-84	19.1	6.7	5.9	NE	3.83	NE	81.2	10.6	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev M	19.25	- .13	- .6	19.38	18.88	22.63	13.50	872	1.45	2.69	- 46.1	11.6	.40	2.1	—	9 mos.	09-84	167.3	13.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	8.00	.00	.0	8.38	7.88	14.56	7.25	324	.68	.75	- 9.3	100.0	.48	6.0	—	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	80.00	3.25	4.2	80.25	76.38	81.13	45.25	4,373	1.30	2.52	- 48.4	65.6	1.20	1.5	—	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods O	2.13	- .25	- 10.5	2.38	2.13	3.25	1.13	299	1.28	.96	33.3	23.6	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	56.88	.88	1.6	57.25	56.13	60.00	45.50	3,649	.81	1.94	- 58.2	13.6	2.24	3.9	—	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R N	40.88	.13	.3	41.38	40.25	44.50	36.50	2,969	.55	1.05	- 47.6	10.2	2.80	6.9	—	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart A	10.25	- .38	- 3.5	10.75	9.88	21.19	8.63	1,595	1.29	1.62	- 20.4	14.4	.00a	.0	—	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	30.50	- .63	- 2.0	31.13	30.25	31.88	24.13	2,243	1.18	1.04	13.5	14.9	1.80	5.9	—	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	51.63	3.25	6.7	52.75	48.38	52.75	36.25	43,503	4.54	1.85	145.4	22.9	1.68	3.3	—	fiscal	12-84	2272.8	- 1.4	(43.1)	- 100.0	(.32)	- 100.0	7698.7	8.5	200.8	- 29.3	2.25	- 25.2
Pillsbury Co N	48.13	.50	1.0	48.38	47.00	48.38	34.50	3,424	.79	1.37	- 42.3	11.1	1.56	3.2	—	6 mos.	11-84	1256.5	11.7	66.1	26.9	1.52	26.7	2280.0	11.0	105.0	20.8	2.42	21.0
Vie de France M	12.75	.00	.0	12.75	12.50	15.25	10.50	771	.71	1.01	- 29.7	20.9	.23	1.8	—	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

SPOTLIGHT ON FINANCE

Paying the price for too much of a good thing

By Rick Telberg

It is often said that there is always a shakeout in the restaurant business, that today's hot new concept is nothing but tomorrow's conversion.

But Beverly Feagin, a securities analyst at J. C. Bradford & Co. in Nashville, thinks the observation may be truer than ever because the restaurant business lapped up too much of a good thing in recent years when it raised hundreds of millions of dollars to build thousands of new restaurants before the market was ready.

"People have worried about saturation for 20 years," she said, "but today it seems that we are closer than ever to that saturation point."

Puzzled, like many in the industry, by last fall's sharp drop in traffic counts, Feagin wondered if the doom-and-gloom theories about a restaurant glut were true. "Intuitively you knew there was some overbuilding, and you knew that a lot of money had been raised," she said. "But still, when I saw these numbers for the first time, they were pretty amazing."

Feagin's view is based on a tally of all the debt and equity financings absorbed by the public markets from 1970 through the first 11 months of 1984.

From 1970 through 1980, the chain restaurant industry raised an average of $8.5 million a year in equity offerings. Typically, three companies a year went to the market, one of which was going public for the first time. Debt offerings averaged $6.3 million annually.

But in 1981, on the eve of a recession, equity issues suddenly exploded to $161.8 million as 23 companies, 15 of them for the first time, tapped the market. Despite a record high corporate bond rate of more than 14%, $92.8 million in debt was sold.

Restaurant companies accelerated their financings in 1982. Twenty-eight companies, 13 of them floating new issues, reaped $189.4 million. A half-point break in interest rates sparked the sale of $185.4 million in bonds.

But 1983, amid a roaring bull market, was the peak. Fifty companies, 32 of them taking their first dip in the stock market, raked in $367 million. New debt totaled $151.2 million.

Through the first 11 months of 1984, there was an easing. Twenty-five companies, 14 of them in initial offerings, raised $169.6 million in equity issues. Bonds totaled $164 million.

Adding it all up, we learn restaurant operators have financed publicly almost $1.5 billion since 1981, more than nine times the amount raised in all of the preceding 11 years. And Feagin's findings may be only the tip of the iceberg when financings not registered with the Securities and Exchange Commission are considered—traditional bank borrowings, partnership formations, venture capital, industrial revenue bonds and money raised by a parent company for its restaurant subsidiary. Almost $1.5 billion builds a lot of restaurants very quickly.

Feagin suggests that the reason restaurants have been hit so fast and hard by a relatively moderate slowing in consumer expenditures is that restaurateurs have nearly saturated the marketplace.

Sales and earnings gains came easily at first, as shiny new buildings designed around hot new concepts skimmed the cream off a milk run of baby-boom induced lifestyle changes. "The demographics are still changing in favor of dining out," Feagin said, "but we've passed the bulge."

Corporate overhead and high start-up costs planned for fast-track growth have become a crushing burden on the slow track. A battle for market share is not tilted in favor of the biggest companies and, ironically, in favor of the companies that were in such poor shape during the growth boom that they missed it.

The amount of overbuilding is so staggering, Feagin said, that "the companies on the brink because of it will not be bailed out by a strong economy."

* * *

STOCK-PICKERS' PICKS: Michael Esposito at Oppenheimer & Co. in New York has shaved a nickel off his 1985 per-share earnings estimate for McDonald's (recent price: $59). Bad January and February weather hurt store volumes, he said, reducing the expected first-quarter earnings gain to 6% to 10% from 12% to 15%. But the quarter's shortfall in earnings could be made up in part by a 2.8% price increase instituted in February.

Michael Culp at Prudential-Bache in New York, noting a 9.5% drop in price-adjusted unit volumes at Chi-Chi's ($10.75), termed the third-quarter results "awful." Looking ahead to the fiscal year-end in April, Culp says, "The risk isn't a flat year. It's two flat years." He remains neutral on the stock.

Wall Street eying Hilton Hotel buyout

By Peter Romeo

NEW YORK — On Wall Street reports are circulating that Hilton Hotels Corp. chairman Barron Hilton may try to take the company private through a leveraged buyout.

Buyout hopes prevented the company's stock price from slipping more than the five points it did, to $58, after the chain was denied an Atlantic City, N.J., gaming permit, analysts said.

"We believe there may be five to 10 points of 'fluff' related to speculation of a near-term acquisition," said John J. Rohs of Wertheim & Co.

'The stock has been the subject of a legal battle between Barron Hilton and the Conrad Hilton Foundation.'

Though analysts contended that a Hilton acquisition is at most a long-term possibility, they said the company is acting as if it were preparing for a buyout offer, either from the 57-year-old son of the founder or a hostile bidder. They pointed to recent stock buybacks that could be an attempt by Barron Hilton to consolidate control of the corporation.

"He's using the company to buy back shares without tendering any of his own. So his ownership percentage goes up and up," said Ed Tavlin of Prescott, Ball & Turbin in Miami.

The analysts believe Barron Hilton may use his increased percentage of shares outstanding either to take over the company himself or thwart hostile takeover attempts by outsiders. Barron Hilton and company insiders now hold about 30% of Hilton Hotels' stock.

In a leveraged buyout the buyer borrows against the company's assets to pay for the purchase. The buyer will often sell the acquired concern's unrealized assets or use its cash reserves to pay off the debt.

Hilton Hotels reported total assets of $1.2 billion for the fiscal year ended December, but outside appraisers valued the assets at more than $1.7 billion. The corporation also has cash reserves of $150 million, according to Michael J. Mueller of Montgomery Securities in San Francisco.

Barron Hilton

Last year Hilton Hotels embarked on a program to realize gains in the value of its real estate through the sale of company-owned hotels, lowering its holdings by $27.9 million. In addition, the company reduced its cash reserves by $45.3 million by repurchasing two million shares of common stock last year. It plans to buy back about two million shares, or 8% of shares outstanding, to lower its cash reserves by $116 million during 1985.

Barron Hilton declined to comment on the takeover reports. Analysts said similar reports were circulating last summer.

"We regard a tender offer as a possibility, but can in no way predict its probability. It is unlikely to occur before 1986, if at all," Rohs wrote in a recent report.

One factor that could come into play is the settlement of a prolonged dispute over a large block of stock once owned by chain founder Conrad Hilton. It has been the subject of a legal battle between Barron Hilton and the Conrad Hilton Foundation, a philanthropic organization, since the elder Hilton's death in 1979. The dispute over to whom Conrad Hilton intended to leave the stock may be settled before the end of 1985, said Rohs.

Rohs said other matters would have to be decided before a leveraged buyout could be engineered, including the effects of proposed tax reforms that could hinder the chain's cash flow and sale of company-owned hotels.

King's Table values deal at $12.7M

NEW YORK — Once royalty payments and debt assumption are included, International King's Table's proposed purchase of the Duff's smorgasbord system from Kelly-Johnston would be valued at $12.7 million, a King's Table official told investors. Previous reports valued the deal at $10.4 million.

Stephen Wendell, vice president for finance at the Eugene, Ore., company, told an investment conference that King's Table would purchase 24 company-owned units and the rights to 76 Duff's franchises for $8.1 million in cash, $2.3 million in common stock, an estimated $1.1 million in royalty payments over four years and $1.2 million in the assumption of mortgages.

Fuddruckers buys back 2 units

SAN ANTONIO — Fuddruckers has purchased two restaurants and leases for seven more from a franchisee in a deal valued at $2.5 million.

The transaction calls for Fuddruckers to issue 230,000 new shares of stock, recently priced at $10 each, and $200,000 cash.

The franchisee operated units in Aurora, Colo., and Phoenix, and it had leases in Colorado, Arizona and N.M.

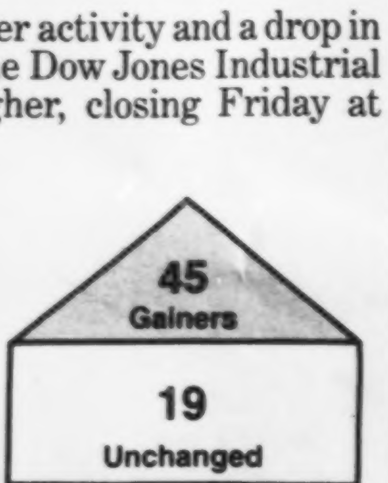
WALL STREET UPDATE

Index up 2.6 to 119.9; gainers top losers 45-41

By Donald Jeffrey

NEW YORK — Amid an expanding overall market, the *Nation's Restaurant News* Stock Index last week regained the 2.6 points it had lost the previous week and closed March 22 at 119.9.

Because of multibillion dollar merger activity and a drop in the dollar's value during the week, the Dow Jones Industrial Average wound up 20.10 points higher, closing Friday at 1,267.45. However, at week's end the Government was estimating that the economy's first-quarter growth was only 2.1%, half as much as that of the previous quarter.



On the complete *NRN* stock listing, which includes lodging and diversified companies, 45 issues gained in price, 41 declined and 19 were unchanged.

The biggest price gainer of the week was Garcia's of Scottsdale, up 50¢, to close at $2.81.

(See **INDEX**, page 44)

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Darr blooms at La Tulipe
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Cookbook authors, chefs hold festival
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New hearings set for Hilton
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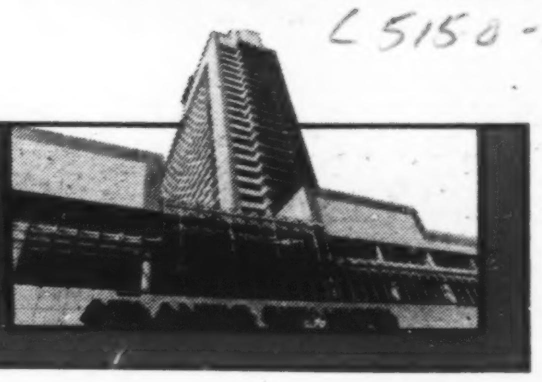

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Vol. 19, No. 15 Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year April 8, 1985

Conversions mount as sites grow scarce

MAJOR CHAIN ACQUISITIONS & CONVERSIONS

Parent Company	Type of Sites Acquired	No. of Units Acquired	Chains Expanded Through Acquisition
Vicorp	Sambo's	175	Village Inn, Bakers Square
Denny's	Colony Kitchens VIP's Alphy's Sambo's	78 55 40 99	Denny's Denny's Denny's Denny's
PepsiCo	Pup 'n Taco	99	Taco Bell

Acquisition strategy yields fast market growth

By David Zuckerman

Driven by the lure of instant market penetration and the waning availability of high-traffic primary site locations, food-service chains are turning increasingly toward acquisitions.

While new store construction continues apace, a number of chains are significantly extending their geographical reach by acquiring struggling competitors and converting.

Others have embraced the acquisition/conversion route strictly to secure prime sites within established markets.

- Red Lobster recently shut down its SigmaCon design and construction subsidiary—its primary new-store development arm—to concentrate on

*(See **EXPANSION**, page 52)*

Alcohol-free wines proliferate

More operators add varietal grape drinks to menus

Don Link of Narsai's has doubts about alcohol-free wines.

By Alan Liddle

SAN FRANCISCO — A growing number of restaurants in northern California, home of some world-famous vineyards, are offering alcohol-free wines and varietal grape juices in response to the trend toward lighter drinking shown by their customers.

Several well-known San Francisco Bay Area restaurants, including Chez Panisse

*(See **WINES**, page 55)*

Marriott, three others in bidding war for HoJo

LONDON — An unidentified American corporation and a real estate group believed to be Riley Holdings of Toronto have joined Servico Inc. and Marriott Corp. in the final bidding for Howard Johnson Co., *Nation's Restaurant News* has learned.

Servico and Marriott are considered to be the most likely buyers by the executives of other food-service companies, including one that recently dropped out of the bidding.

An informed source, asking anonymity, called Marriott's bid "hostile," indicating Marriott might oust Howard John-

*(See **HOJO**, page 55)*

Union leaders seek joint talks to solve labor shortage

By Ken Rankin

WASHINGTON — Representatives of organized labor are making overtures to food-service executives for joint discussions to resolve the restaurant industry's looming labor crisis.

Manpower shortages that are already chilling expansion plans for restaurant chains in some parts of the country are certain to spread nationwide during the next few years, and it's in the mutual interest of both labor and management to explore solutions to the problem, A.F.L.-C.I.O. food and beverage trades chief Robert Harbrant said in an interview.

"This isn't a perceived labor crisis," he said. "It's a very real long-term problem for food service, and I don't see any systematic solutions under consideration by the industry to deal with it."

Although Harbrant agreed that much of the problem is demographic—the declining proportion of teenagers in the general population as the "baby boomers" of the 50's and 60's mature—he did not agree that the solution lies in shifting food-service industry employee-recruiting emphasis.

"The fast-food chains have preyed on teenagers for a generation by offering them dead end, unskilled, minimum-wage jobs," he said. Now that

*(See **LABOR**, page 55)*

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ROCK 'N' ROLL FOOD
Stein parleys music savvy into dining pizzazz F9

CULINARY CHAMELEON
Ma Maison's menu is a mirror of market availability. .45

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General Mills to sell three chains

Puts Casa Gallardo, Darryl's, Good Earth on the auction block

By Rick Telberg

ORLANDO, Fla. — Apparently disillusioned with sub-par returns in three of its six restaurant concepts, General Mills has hung "for sale" signs on the Casa Gallardo, Darryl's and Good Earth chains.

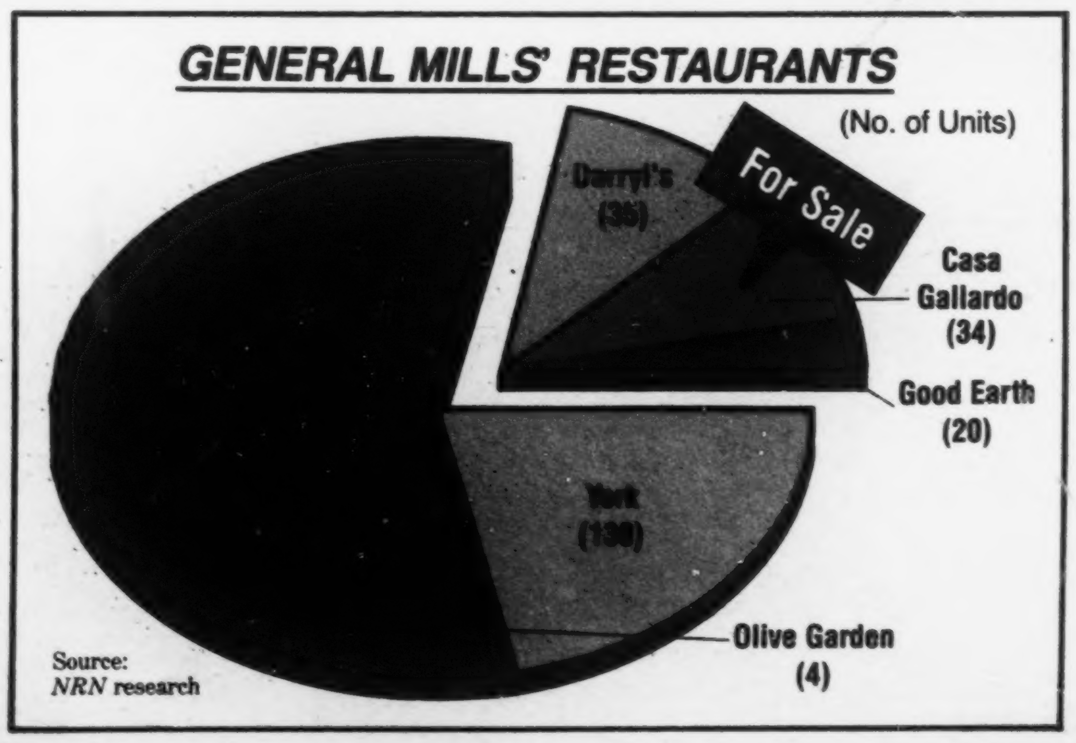
Assets are being redeployed into 370-unit Red Lobster and its worldwide seafood supply network, 130-unit York and its shopping mall locations, foreign markets, where there are now six Red Lobsters, and the four-unit Olive Garden Italian dinner-house chain, a company spokesman said.

"We will be aggressively seeking acquisitions in these areas in the next several months," said Joe Lee, president of the General Mills restaurant division.

In all, 89 of the company's 600 restaurants are being considered for divestiture.

The Minneapolis-based

*(See **GENERAL MILLS**, page 55)*



Source: *NRN* research

Round Table targets L.A.; Chicago put on hold

Redirects growth, tests delivery and express service

By Alan Liddle

SAN FRANCISCO — Learning from its experience in Iowa, where it closed 11 units, Round Table has put plans to enter the Chicago market on hold and is concentrating on Los Angeles.

Scott Bergren, 38, president of the 430-unit chain, which recorded systemwide sales of $162 million in fiscal 1984, said recently he is confident "there's room for us" in Los Angeles, where Round Table already franchises 65 restaurants.

"Theoretically," the market could support up to 250 units, he said, adding that Round Table plans to franchise about 40 new units a year until it reaches the practical limits of expansion.

Also under way at Round Table are tests of express service, the sale of slices and home delivery, he said.

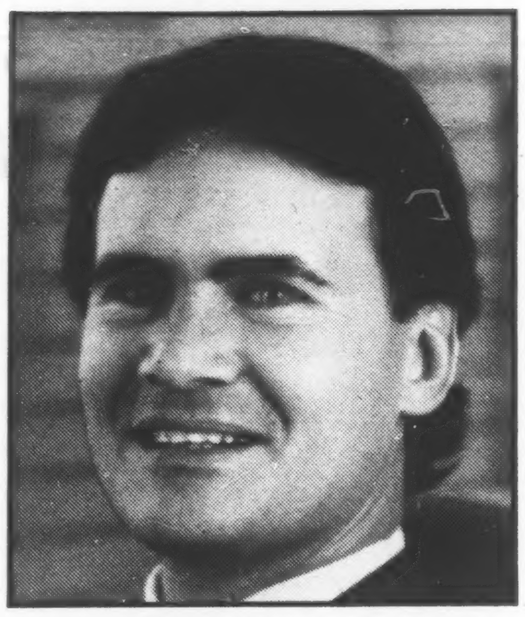
San Francisco-based Round Table has just one company restaurant, a test and training unit in Pacifica, Calif. In addition to franchises in California, the privately held enterprise has them in Oregon, Washington, Utah, Idaho, Colorado, Nevada, Arizona, Iowa and Hawaii.

Bergren stressed that expansion in the Los Angeles market is "not a substitute" for franchising in the Midwest. "It's a natural evolution of our market area," he said of the company's strategy for Los Angeles, where he said he believed Round Table and Pizza Hut lead other chains.

Early in 1984 Bergren estimated Round Table would grow at a rate of about 125 units a year. Now that the chain's expansion has been limited to existing markets—at least for the short term — such estimates would have to be revised downward, he said.

The Iowa saga began in late

*(See **ROUND TABLE**, page 37)*



Scott Bergren

Forgione to own, operate 3 Morgans hotel restaurants

By Peter Romeo

NEW YORK — Larry Forgione, renowned for his An American Place restaurant here, has disclosed that he will own and operate the three restaurants soon to open in the boutique-style Morgans hotel here.

All three will feature American fare similar to that of An American Place, Forgione said.

The establishments will include a 110-sq.-ft. formal dining room, an adjoining facility marketed under its own identity and a small Morgans Bar & Restaurant that will stay open "as late as Morgans wants it to," said Forgione.

The formal restaurant will feature a lounge, oyster bar and theatrical kitchen.

Only Morgans Bar & Restaurant will be geared toward the 154-room hotel's guests. The others, as yet unnamed, "will not be hotel dining rooms. They're regular restaurants marketed to the public that just happens to be in Morgans. It's an arrangement like the one Le Cirque has with the Mayfair Regent hotel," Forgione explained.

Morgans Bar & Restaurant will open on the ground floor of Morgans later this month. The other restaurants will be located on the mezzanine and are scheduled to open in August.

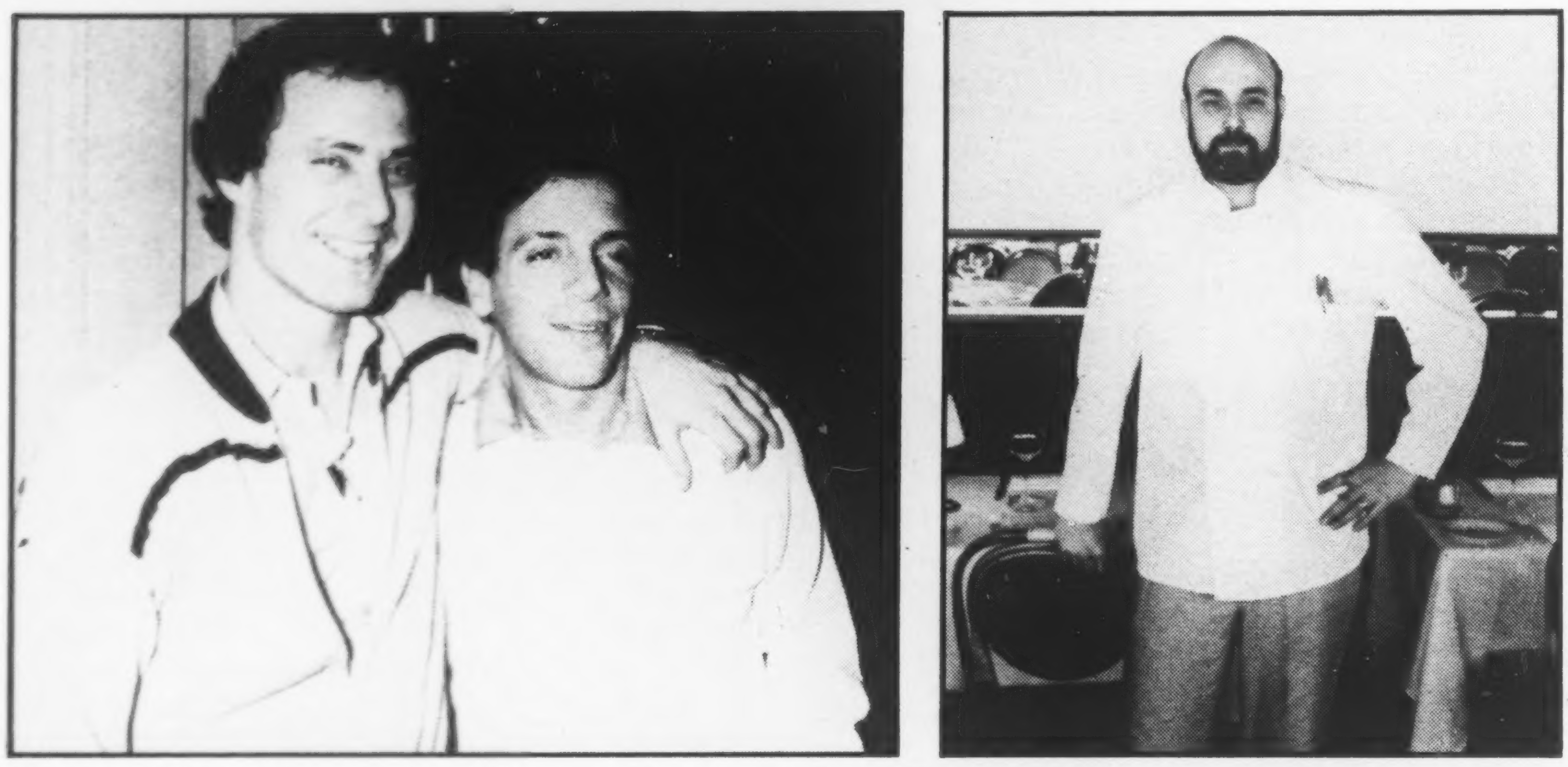
Forgione has already developed a room service menu of American fare for Morgans at the request of co-owners Steve Rubell and Ian Schrager, better known as the founders of Studio 54.

Rubell said he and Schrager are negotiating the development of a second Morgans in another U.S. city. "And there'll be more—lots more," said a spokesman for the duo.

Rubell would not say whether Forgione will own restaurants in future Morgans. "We're taking it a step at a time. We want to see how this works out first," he commented. "But I'm sure its going to work out great."

Forgione said he would continue to operate An American Place, one of the first American restaurants to open in New York. Its signature dishes include veal with Montana beef jerky, Virginia ham with pea salad, lobster and frog's leg salad.

Forgione first drew attention in New York as chef of the River Café in Brooklyn.



Morgans hotel owners Ian Schrager (left) and Steve Rubell. Right, Larry Forgione.

COMMODITIES

Meat, poultry prices to remain stable until summer

***NRN* Special Report**

Meat and poultry prices continue stable. Agricultural economists, who have predicted an imminent price hike since the beginning of the year, have again moved their time schedule back, this time to late summer. Although they have not abandoned their outlook that meat prices will climb, they have rescheduled its onset.

What has confounded the experts is the unprecedented marketing of cattle and hogs by producers. With too many farmers and ranchers caught in the trap of overexpansion and undercapitalization, the only source of ready cash is often the cattle or hogs they have on the land.

Slaughtering of hogs has been up by about 3% since the first of the year, but the inventory of hogs for breeding purposes is down 4% from that of last year and the number of hogs held for slaughter is down 1% from the amount in the first quarter of last year. Hog producers have been discouraged by the low slaughterhouse prices offered: $42-$43 vs. the $48-$50 most claim they need to break even.

Hog raising is in a state of transition between the independent farmer who raises a small number as a sideline effort and the big producer who produces hundreds of hogs a year with modern facilities and technology. The smaller producers often feed their hogs on corn and other feeds they raise. The big producers are dependent upon feed prices and must amortize capital equipment and facilities over a long haul.

The smaller producer can move in and out of the market easily. With minimum facilities, practically no capital equipment and a breeding pair all that's required, he has the flexibility of reacting to the marketplace quickly. With no quality standards for pork, as there are for beef, veal and lamb, the hog producer is concerned with carcass weight alone.

It is those smaller producers that are cutting back the most, according to U.S. Department of Agriculture economists. When the slaughtering falls off in late summer and the price for hogs moves up, many of the same farmers will start breeding again and the effect should be felt in lower prices in early 1986.

The strong dollar overseas has had one positive effect upon hams, however. Foreign hams are at their largest supply levels and lowest prices in years. The price for large canned Polish hams (11 lb.) has plummeted another $0.12 a pound in early March, bringing the price to the lowest level in 10 years and 9% below last year's prices. Polish and Danish large canned hams are selling at $1.40-$1.44 per pound at the New York port of entry, compared with domestic canned hams (12 lb.) at as much as $0.12-$0.15 a pound more.

Beef is a somewhat different situation. Import beef is almost all boned meat from range-fed animals, suitable primarily for hamburger and other ground meat use. Overseas producers do not have the facilities to feed animals to the finished stages found in American feedlots. Despite the advantages of the strong dollar, the main beneficiaries of foreign beef imports will be the fast-food hamburger operations.

The gestation period for a cow is longer than that of a hog, and it takes longer to raise a steer to market weight than it does to fatten a hog. Yet beef producers, too, have been thinning their herds and sending the calves, bull and heifer alike, to feedlots rather than holding them for breeding purposes.

If that thinning begins to taper off in the late summer and prices for beef rise, the turnaround time for increasing production without thinning herds below their already record lows is a long-term outlook, three years or more. So economists are predicting that beef prices will remain high for at least that long.

PRICE MOVEMENT AT A GLANCE

	March 25, 1984	Feb. 25, 1985	March 25, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.05	$0.97	$0.89
Broccoli, Grade A dressed, icepack, NYC (lb.)	$0.6294	$0.5354	$0.4728
Celery, No. 1, Calif., 2½s (case)	$8.00-9.00	$4.00	$3.00-3.50
Coffee, green beans, Brazilian, New York port (lb.)	$1.52	$1.45	$1.40
Eggs, Grade A, large white, Chicago (doz.)	$0.90	$0.54-0.57	$0.62-0.65
Hams, Polish 10-12 lb., canned, NYC (lb.)	$1.56-1.57	$1.50-1.52	$1.40-1.44
Lettuce, iceberg, No. 1, Calif. (24s)	$5.00-7.00	$3.00-4.00	$3.00
Lobster meat, frozen canned (lb.)	$5.80-6.30	$7.35-7.55	$7.50-7.75
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$0.95	$0.88	$0.815

Source: *NRN* Research

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Expansion by acquisition

(Continued from page 1)

acquiring and converting strategically located restaurant properties.

- Vicorp acquired the remaining 175 units of the defunct Sambo's coffee shop chain and is now converting the stores to its own Village Inn and Bakers Square concepts.
- Denny's absorbed 78 Colony Kitchen restaurants last year and has greatly enhanced its market penetration over the past few years by acquiring several Sambo's sites plus some 75 VIP's and Alphy's restaurants.
- Hardee's swept into the Midwest from its primarily southern base of operations by acquiring the 700-unit Burger Chef chain from General Foods and converting the bulk of those outlets to Hardee's. The chain is also emerging as a possible buyer of Ralston Purina's 788-unit Jack in the Box, based in San Diego, which would give it a strong beachhead on the West Coast. (There are currently no Hardee's west of Salt Lake City.)
- Marriott's Roy Rogers filled in markets along the Eastern Seaboard and nearly doubled in size by acquiring the struggling Gino's fast-food chain and converting some 175 of the units to its own concept.

"Our reason for moving away from freestanding site development is not economic but primarily for location of real estate," a Red Lobster spokesman said in explaining the company's decision to abolish SigmaCon.

"We want prime locations, and there simply aren't enough corners of Main and Main left for us to build on. We have no choice but to start converting existing units to Red Lobster."

But the potential for rapid and far-reaching expansion remains the single most dominant force in the acquisition game, most chain executives agree. Moving into new markets can be a slow and painful process that requires years of development with no guarantee of results.

Hardee's, for example, increased its presence to nearly national proportions in a single transaction when it acquired Burger Chef. Conservative by nature in terms of expansion policy, Hardee's may well have taken several years to achieve such vast market penetration on a unit-by-unit basis.

Church's Fried Chicken president and chief operating officer Richard Sherman, who moved over from Hardee's in 1983, was a pivotal figure in closing the Burger Chef Acquisition for Hardee's. He is now seeking similar deals on behalf of Church's.

"The first motivation of acquiring developed sites is the speed at which you can do it," Sherman said. "The real estate is already there. Also, if you buy a competing business, you already have an idea of the economics of the situation."

While Sherman acknowledged that acquiring and converting developed sites is often "more expensive than building freestanding units from scratch" in the long run, he pointed out a substantial saving in initial soft costs "in that you may be able to achieve a great deal of expansion as the result of a single transaction."

Also, Sherman added, availability of prime sites is rapidly disappearing. "Obviously there aren't as many as there were 20 years ago," he said. "And they're becoming extremely expensive because everybody wants them. Through acquisition of a chain, you can often pick up a lot of strong locations in one shot."

ACCORDING TO Sherman, Hardee's acquisition of Burger Chef "was strictly a matter of instant market penetration. The stores and customers were already there. We didn't have to start from scratch."

But while the acquisition/conversion route represents by far the quickest means of expanding a chain into new territory, there are clear pitfalls to the process, which must be taken into account.

"We've made some good deals, and we've made some bad deals," said Scott Bergren, president of San Francisco-based Round Table Pizza, a 400-unit operation that has also expanded through acquisition.

"Usually, when you acquire a chain, it's not a very successful company," Bergren said. "You have to overcome existing site resistance because customers have a clear recollection of the bad restaurant that was on the site before. Sometimes that problem alone can make a deal not worthwhile."

AS FOR costs, Bergren added, rarely has an acquisition saved any money for Round Table. To begin with, "you must pay 45%-60% of unit sales as a purchase price," he said. "Even a sick store will cost a considerable amount. And when we buy a store, we don't like to just go in and turn a sign around."

On top of the purchase price, according to Bergren, is the cost of cleaning up and renovating the store plus new signage, which could "cost $10,000 by itself." In addition, morale of existing employees in those situations "is generally very low."

By the time all those expenses are tabulated, Bergren said, they generally equal or exceed the $220,000 that it normally costs to construct a new Round Table store.

Chi-Chi's to open in Britain

LOUISVILLE, Ky. — Chi-Chi's Inc. said it had entered a joint venture agreement with Ranks Hovis McDougall PLC to open Mexican dinnerhouses in Britain.

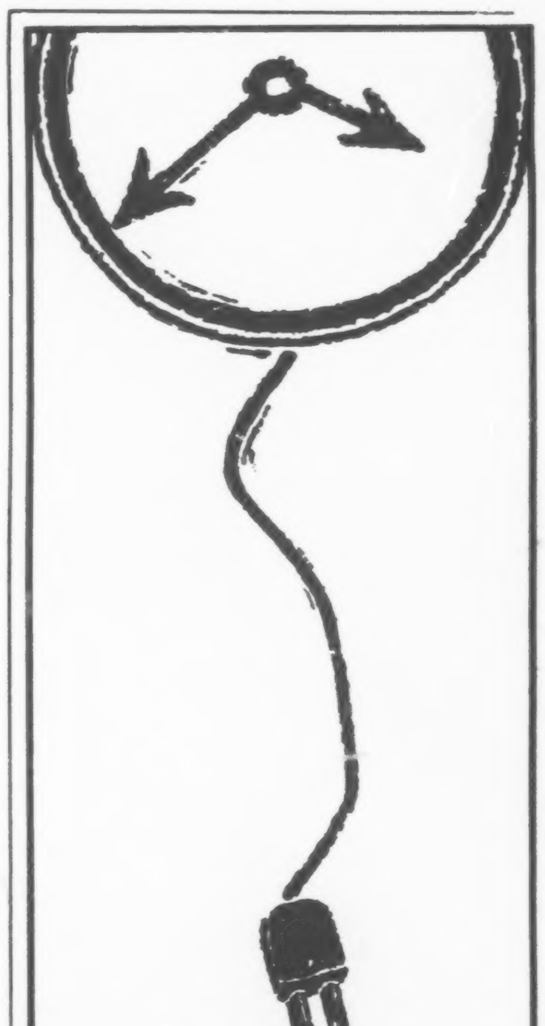
The new company, Chi-Chi's Mexican Restaurants Ltd., plans to open its first unit in 1986. It is Chi-Chi's second venture outside the United States; its first was Canada.

Calibre set to sell all Rax units

WORTHINGTON, Ohio — Calibre Corp. said it is leaving the restaurant business following a $1.1 million loss in its second quarter, ended Jan. 27. The company agreed to sell all 14 of its Rax units to Rax Restaurants Inc. for $1.3 million and at least 70,000 shares of Rax common stock. Officials said they were exploring the sale of the eight Pizza Time Theatre units the company also franchises, but they would not name any potential buyers.

Holiday Inns prevents takeover

MEMPHIS — Holiday Inns Inc. will seek shareholder approval of a reincorporation in Delaware and the adoption of provisions "to give some protection to our shareholders against the effects of an unfriendly takeover," said chairman Michael D. Rose. The company will also ask stockholders to approve a change in name to Holiday Corp.



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Index down slightly as market closes on upbeat note

(Continued from page 58)

The leading percentage gainers were Good Taco, up 19¢ to close at 88¢ a share; Captain Crab, up 50¢ to $2.38, and Chock Full o'Nuts, up $1.63 to $9.63.

At Captain Crab's annual meeting last week, shareholders approved a preferred stock issue of 500,000 shares for future expansion or acquisitions and voted to increase the number of shares from 20 million to 50 million. The company said it planned to open two new prototype restaurants this year.

Chock Full o'Nuts' chairman told shareholders last week that a plan involving some of its prime New York City real estate holdings "is under very active consideration in the immediate future."

For the second consecutive week, the leading stock-price percentage loser was Fresher Cooker, down $1 to $1.50. Last week the company reported that, while 1984 revenue rose 54% to $4 million, compared with the previous year, the net loss was $2.1 million, or 136% higher than in 1983.

Chock Full o'Nuts and Captain Crab also topped the list of issues trading at higher volume than the 12-week average, at $295,700 shares and 887,800 shares, respectively.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Ch Full O Nut N	419.2	Intl Dairy Queen O	86.2
Capt Crab M	213.5	Ramada Inns N	69.7
Vie de France M	210.8	Luby's Cafe N	68.9
Wstn Steer M	175.5	Fresher Cooker O	54.7
Good Taco M	134.5	PepsiCo Inc N	47.3

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Good Taco M	27.3	Vicorp Restaurants M	7.5
Capt Crab M	26.7	Naugles Inc M	7.3
Ch Full O Nut N	20.3	Prime Mtr Inn N	6.8
Ramada Inns N	16.7	Rest Assoc A	6.6
DLites Of Amer M	13.1	Victoria Stations M	6.3

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Fresher Cooker O	-40.0	SIS Cp O	-10.0
Calibre Cp M	-22.2	Nankin Express O	-8.3
Garcias Scot M	-17.8	Primo Inc O	-8.3
1 Potato 2 O	-16.7	Fast Food Oper O	-8.3
Kelly-Johnston M	-12.5	Po-Folks M	-7.0

	Stock Market											Financial Update																	
	Price							Volume																					
	3-29-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
																		Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	5.50	.00	.0	5.63	5.25	7.50	3.50	657	1.84	1.28	43.8	17.2	.00	.0	—	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.9
Acapulco Rests O	4.38	- .13	- 2.8	4.63	4.38	5.00	3.50	87	.35	.62	- 43.5	15.1	.00	.0	—	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants O	3.88	.00	.0	4.13	3.88	6.00	2.38	48	.21	.49	- 57.1	20.4	.00	.0	—	9 mos.	10-84	4.6	17.9	.1	.0	.02	- 60.0	13.6	25.9	.3	.0	.12	- 40.0
Assoc Hosts M	13.13	- .63	- 4.5	13.50	13.00	17.13	10.88	392	.89	2.75	- 67.6	15.8	.12	.9	—	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char A	2.38	- .13	- 5.0	2.38	2.25	4.13	1.75	257	.45	.75	- 40.0	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Benihana Natl M	20.13	- .38	- 1.8	20.63	19.75	21.75	7.50	699	2.40	4.69	- 48.8	21.9	.00	.0	—	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms M	19.75	.38	1.9	19.75	19.00	20.25	14.75	795	.49	1.01	- 51.5	18.3	.30	1.5	—	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp M	.88	- .25	- 22.2	1.00	0.88	7.25	.88	43	.14	.44	- 68.2	NE	.00	.0	—	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food M	11.88	- .63	- 5.0	12.38	11.75	13.25	7.25	1,603	3.53	3.30	7.0	18.8	.16	1.3	—	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab M	2.38	.50	26.7	2.50	1.88	6.13	1.38	8,878	5.80	1.85	213.5	NE	.00	.0	—	fiscal	08-84	1.7	466.7	(.4)	NC	(.03)	NE	5.4	260.0	(1.0)	NC	(.08)	NE
Carrols Cp N	10.25	.38	3.8	10.38	9.63	11.50	7.13	599	.77	1.22	- 36.9	14.6	.07	.7	—	6 mos.	11-84	36.3	23.5	1.8	63.6	.22	22.2	74.6	21.3	3.9	34.5	.50	4.2
Chi-Chi's M	11.13	- .25	- 2.2	11.38	11.00	18.25	10.00	7,833	2.90	4.72	- 38.6	17.7	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc M	26.50	.63	2.4	26.50	25.38	26.50	12.75	798	1.77	2.71	- 34.7	39.0	.00	.0	—	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch N	37.63	1.00	2.7	37.88	36.63	37.88	22.75	3,439	1.83	2.33	- 21.5	16.6	.80	2.1	—	fiscal	12-84	182.4	20.2	14.5	79.0	.77	140.6	533.2	17.3	42.6	34.8	2.26	36.1
Collins Foods N	21.50	1.13	5.5	21.63	20.13	22.13	9.91	2,016	1.53	1.41	8.5	16.3	.16	.7	—	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev O	11.00	.25	2.3	11.50	10.75	17.00	5.75	774	1.50	1.70	- 11.8	14.3	.00a	.0	—	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts M	4.75	.00	.0	4.88	4.75	7.50	4.63	31	.09	.32	- 71.9	13.6	.08	1.7	—	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant M	5.38	- .13	- 2.3	5.50	5.00	13.50	4.50	796	1.77	2.15	- 17.7	89.6	.00	.0	—	6 mos.	11-84	20.9	32.3	(.4)	- 100.0	(.11)	- 100.0	42.0	32.9	(.4)	- 100.0	(.10)	- 100.0
Cracker Barrel M	14.00	.00	.0	14.25	13.50	23.50	11.75	151	.42	1.28	- 67.2	16.9	.14	1.0	—	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc O	5.50	.25	4.8	6.00	5.25	5.50	2.75	104	.60	.72	- 16.7	42.3	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods M	10.00	- .50	- 4.8	10.13	9.88	16.75	8.00	18,184	5.39	6.98	- 22.8	18.5	.34	3.4	—	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer M	14.00	1.63	13.1	14.50	12.25	15.50	10.88	1,498	2.97	4.24	- 30.0	NM	.00	.0	—	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts M	27.13	- .25	- .9	27.38	27.13	28.00	18.88	331	.70	2.67	- 73.8	13.9	.32	1.2	—	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico M	10.00	- .25	- 2.4	10.25	9.88	10.88	7.25	388	.83	1.83	- 54.6	12.8	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest N	14.38	.25	1.8	14.63	14.25	14.88	9.13	357	.32	.93	- 65.6	14.8	.00	.0	—	fiscal	12-84	61.1	13.6	2.1	110.0	.19	35.7	250.1	18.7	11.1	42.3	.97	42.6
Fast Food Oper O	.69	- .06	- 8.3	0.81	0.63	1.69	.63	425	.72	.60	20.0	9.8	.00	.0	—	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes M	6.63	.38	6.0	6.88	6.13	9.13	5.13	1,962	2.81	3.11	- 9.6	NE	.00	.0	—	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Fresher Cooker O	1.50	- 1.00	- 40.0	2.50	1.50	6.75	1.50	168	.99	.64	54.7	NE	.00	.0	—	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's A	20.50	.25	1.2	20.50	20.25	20.88	12.00	12	.03	.16	- 81.3	17.7	.22	1.1	—	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc M	9.50	- .63	- 6.2	9.75	9.13	15.50	8.50	3,935	6.05	4.38	38.1	NC	.00	.0	—	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot M	2.31	- .50	- 17.8	2.63	2.31	6.38	1.63	963	1.61	2.27	- 29.1	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco M	.88	.19	27.3	1.00	0.69	3.75	.25	1,935	6.52	2.78	134.5	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet O	13.75	.00	.0	14.50	13.75	14.50	9.75	15	.21	.18	16.7	7.4	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	6.00	.00	.0	6.13	5.75	7.50	3.63	916	3.18	2.35	35.3	31.6	.00	.0	—	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen O	43.50	.00	.0	44.50	43.50	50.50	35.00	108	.54	.29	86.2	12.2	.00	.0	—	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab M	23.00	- .25	- 1.1	23.25	22.75	24.75	11.59	890	3.12	3.69	- 15.4	17.2	.00a	.0	—	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest M	19.75	.13	.6	20.00	19.25	21.50	10.38	636	2.74	4.76	- 42.4	15.9	.20	1.0	—	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc M	18.63	- .88	- 4.5	19.25	18.50	19.50	13.00	7,889	5.00	3.68	35.9	13.5	.12	.6	—	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp A	2.25	- .13	- 5.3	2.50	2.25	3.88	1.13	219	.98	.81	21.0	3.5	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	17.13	- .50	- 2.8	17.50	17.00	29.63	13.50	414	.59	3.10	- 81.0	10.3	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston M	.88	- .13	- 12.5	1.00	0.88	7.63	.75	782	.92	4.25	- 78.4	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	27.88	- .50	- 1.8	28.00	26.75	32.00	23.63	918	.76	.45	68.9	18.3	.54	1.9	—	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp O	16.38	- .25	- 1.5	16.63	16.38	17.13	11.88	54	.11	.40	- 72.5	10.6	.28	1.7	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	83.13	- .75	- .9	83.50	81.50	86.38	58.50	1,824	.71	.75	- 5.3	16.6	.54	.6	—	fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest O	2.50	.00	.0	2.63	2.50	6.25	2.25	177	.36	.35	2.9	14.7	.00	.0	—	9 mos.	10-84	3.0	87.5	.1	- 50.0	.03	.0	8.3	76.6	.6	50.0	.13	44.4
Max Erma's O	4.00	.00	.0	4.13	4.00	6.75	2.50	5	.03	.80	- 96.3	NE	.00	.0	—	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp N	59.25	.50	.9	60.25	58.75	62.38	40.84	8,795	1.02	1.20	- 15.0	13.5	.82	1.4	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
Morrison Inc M	19.00	- .13	- .7	19.13	18.88	19.25	13.25	502	.37	1.63	- 77.3	12.7	.48	2.5	—	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak O	2.88	.00	.0	3.00	2.75	3.13	1.13	464	.97	1.30	- 25.4	NE	.00	.0	—	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express O	1.38	- .13	- 8.3	1.75	1.38	2.50	1.00	173	.77	1.20	- 35.8	NE	.00	.0	—	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans O	3.38	- .13	- 3.6	3.63	3.38	4.50	1.78	201	.90	1.91	- 52.9	13.5	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza O	8.50	- .13	- 1.4	9.50	8.50	9.75	7.50	34	.06	.19	- 68.4	9.4	.00	.0	—	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc M	5.50	.38	7.3	5.63	5.00	10.13	4.75	1,863	4.18	6.39	- 34.6	NE	.00	.0	—	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 O	1.25	- .25	- 16.7	1.50	1.25	12.25	1.25	390	1.78	1.60	11.3	25.0	.00	.0	—	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

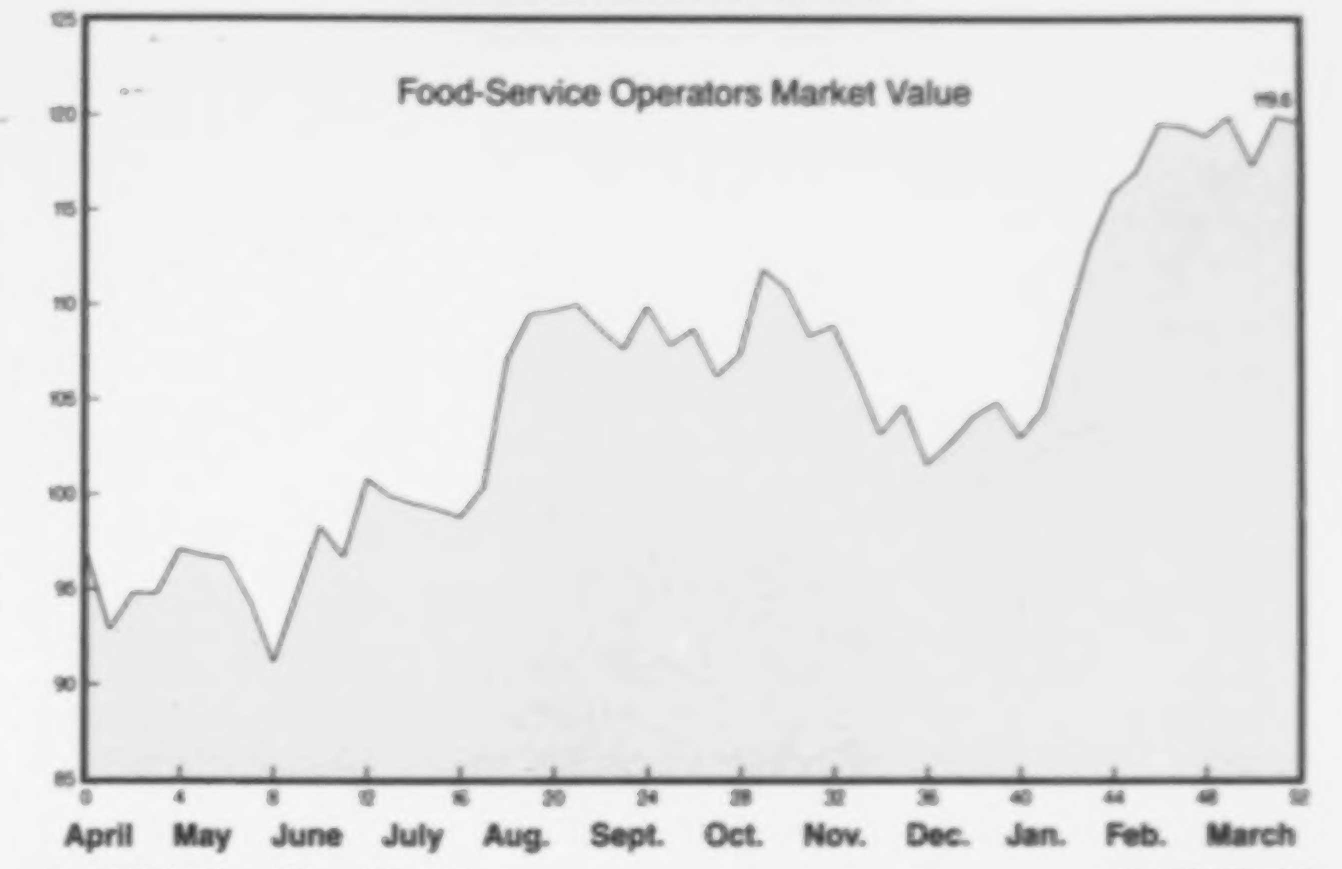
Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

FINANCIAL NEWS

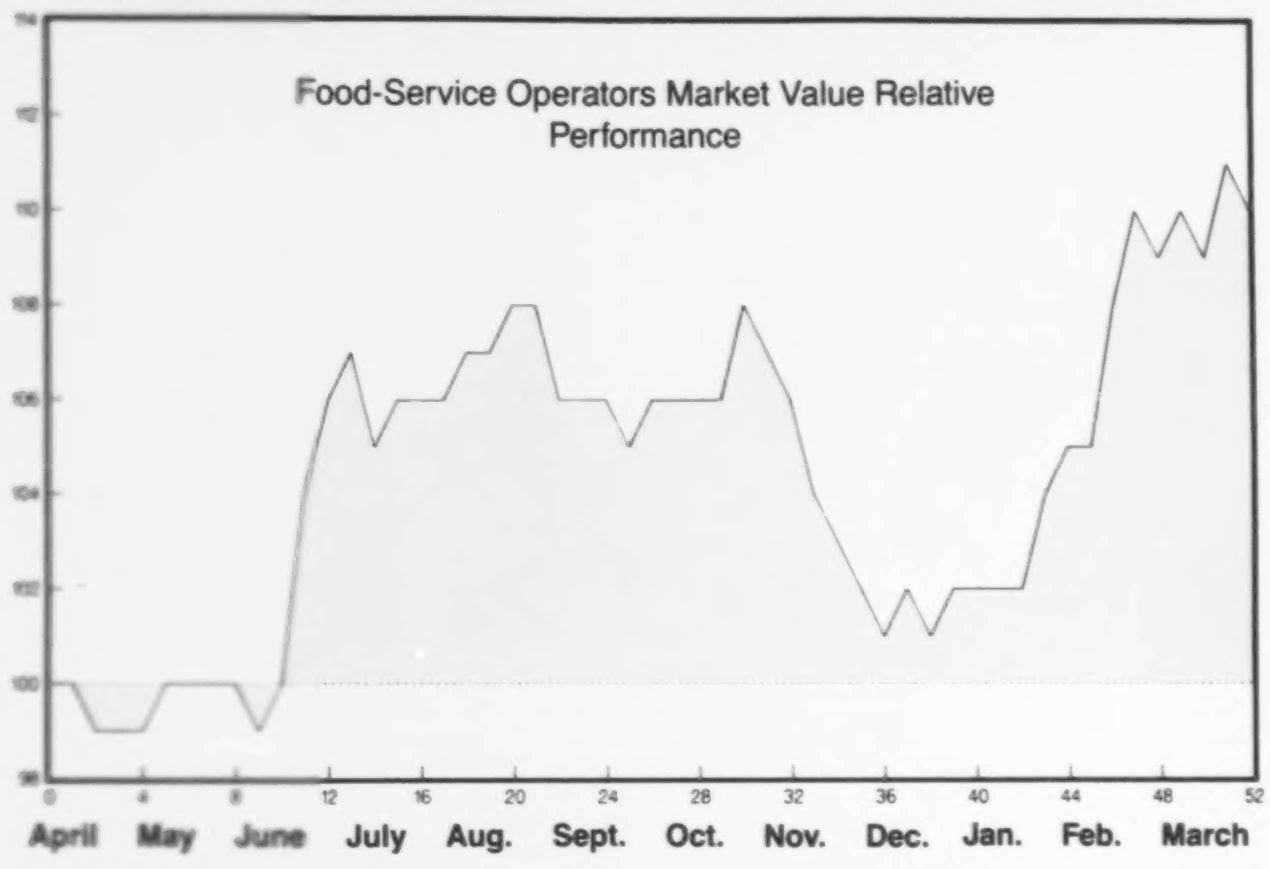
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



Stock Market

Company and Market	Price							Volume			
	3-29-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change
-	$	$	%	$	$	$	$	(100)	%	%	%
Old Fashion Fd O	5.00	.00	.0	5.50	5.00	6.25	4.00	5	.04	.29	- 86.2
Pancho Mex Buffet M	7.13	- .13	- 1.7	7.25	7.13	8.25	5.88	425	1.14	5.44	- 79.0
Peoples Rest M	.44	.00	.0	0.50	0.38	3.75	.25	950	1.10	5.91	- 81.4
Piccadilly Caf M	22.38	- .50	- 2.2	22.88	22.38	24.25	16.50	730	1.21	1.81	- 33.1
Pizza Inn A	9.00	.00	.0	9.00	8.63	12.75	6.88	300	.98	1.13	- 13.3
Po-Folks M	10.00	- .75	- 7.0	10.38	9.50	16.63	8.75	575	1.30	.97	34.0
Ponderosa Sys N	13.63	.00	.0	13.75	13.00	22.88	11.50	1,342	1.40	3.47	- 59.7
Primo Inc O	2.75	- .25	- 8.3	2.88	2.75	4.63	2.38	105	.31	1.13	- 72.6
Rax Restaurants M	9.75	- .25	- 2.5	10.00	9.50	16.38	8.00	465	.69	1.30	- 46.9
Rest Assoc A	8.13	.50	6.6	8.25	7.63	8.88	5.38	153	.54	1.30	- 58.5
Restaurant Sys M	15.75	.00	.0	16.25	15.50	16.50	9.00	153	.66	1.22	- 45.9
Ritzys G D M	2.88	.13	4.5	2.88	2.38	8.50	1.75	270	.52	1.33	- 60.9
Rusty Pelican M	14.38	- .38	- 2.5	14.63	14.25	18.25	11.00	194	.69	2.15	- 67.9
Ryans Fam Steak M	17.00	.00	.0	17.00	16.00	17.75	11.19	792	1.23	2.16	- 43.1
Saga Corp N	30.75	.75	2.5	30.75	29.75	35.50	25.88	1,643	1.26	2.14	- 41.1
Sandwich Chef M	8.00	- .25	- 3.0	8.25	8.00	9.75	6.75	35	.28	.89	- 68.5
Sea Galley M	8.50	.00	.0	8.63	8.25	11.00	6.50	2,028	5.56	6.79	- 18.1
Shoney's Inc M	27.88	- .13	- .4	28.13	27.63	28.38	16.22	2,713	.96	1.72	- 44.2
Shoney's South M	14.88	.13	.8	15.00	14.50	16.59	11.00	432	.77	1.17	- 34.2
SIS Cp O	4.50	- .50	- 10.0	5.00	4.50	8.00	3.25	20	.13	.62	- 79.0
Sizzler Rest Intl M	18.75	.50	2.7	18.75	18.25	20.00	9.25	382	.55	.99	- 44.4
Skippers M	11.25	- .50	- 4.3	11.50	11.25	12.50	8.00	364	1.33	2.03	- 34.5
So Hospitality M	5.50	.13	2.3	5.50	5.25	5.88	3.75	923	1.85	4.46	- 58.5
Taco Viva M	9.88	.00	.0	10.00	9.88	11.25	7.00	74	.32	1.42	- 77.5
TGI Friday's N	11.13	.50	4.7	11.13	10.50	13.13	7.88	581	.51	1.06	- 51.9
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	5	.03	.22	- 86.4
Transworld N	34.38	.25	.7	34.38	32.75	37.63	24.50	4,809	1.47	2.42	- 39.3
USACafes M	5.25	- .13	- 2.3	5.38	5.13	5.75	2.75	826	1.31	3.47	- 62.2
Vicorp Restaurants M	26.75	1.88	7.5	27.00	24.88	26.88	13.25	2,364	3.56	4.61	- 22.8
Victoria Stations M	4.25	.25	6.3	4.38	3.50	8.00	2.13	1,583	4.47	3.81	17.3
Wendys Intl N	17.63	.63	3.7	17.63	16.88	17.63	9.84	10,220	1.39	2.41	- 42.3
Wstn Steer M	9.75	- .13	- 1.3	11.00	9.50	12.00	9.00	177	1.46	.53	175.5
Winners Cp N	6.50	- .13	- 1.9	6.50	6.38	13.38	5.13	237	.53	1.04	- 49.0
Hotels, Motels, and Casinos											
Brock Hotel Cp N	3.00	.13	4.3	3.00	2.75	6.00	2.63	625	.47	.92	- 48.9
Hilton Hotels N	62.50	3.00	5.0	63.50	59.38	63.50	45.50	3,046	1.23	1.38	- 10.9
Holiday Inns N	51.88	1.88	3.8	52.00	50.00	52.88	35.25	2,345	.67	4.80	- 86.0
Prime Mtr Inn N	23.50	1.50	6.8	23.50	21.38	24.28	12.47	2,763	1.43	1.37	4.4
Ramada Inns N	7.88	1.13	16.7	8.13	6.75	8.25	5.13	16,836	4.53	2.67	69.7
Servico Inc M	18.00	- .13	- .7	18.75	17.50	22.28	12.97	138	.40	.49	- 18.4
Sonesta Intl M	27.00	.50	1.9	27.00	24.00	27.00	17.50	13	.09	.12	- 25.0
Other Companies with Food-Service Operations											
Allegheny Bev M	19.63	.38	1.9	20.00	19.25	22.63	13.50	1,259	2.10	2.77	- 24.2
Ch Full O Nut N	9.63	1.63	20.3	11.75	8.38	14.56	7.25	2,957	6.23	1.20	419.2
Disney, Walt N	78.75	- 1.25	- 1.6	80.00	78.75	81.13	45.25	5,570	1.65	2.55	- 35.3
Esteban Foods O	2.13	.00	.0	2.25	2.13	3.25	1.13	159	.68	.97	- 29.9
Gen Mills N	58.13	1.25	2.2	60.63	56.38	60.63	45.50	11,343	2.51	2.10	19.5
Grace W R N	41.88	1.00	2.4	41.88	40.50	44.50	36.50	4,406	.91	1.08	- 15.7
Horn & Hardart A	10.38	.13	1.2	10.50	10.13	21.19	8.63	993	.80	1.61	- 50.3
Ogden Corp N	31.25	.75	2.5	31.25	30.38	31.88	24.13	1,340	.70	1.06	- 34.0
PepsiCo Inc N	54.63	3.00	5.8	55.25	50.50	55.25	37.25	29,275	3.06	2.07	47.3
Pillsbury Co N	49.00	.88	1.8	49.00	48.13	49.00	34.50	2,817	.65	1.38	- 52.9
Vie de France M	12.63	- .13	- 1.0	12.75	12.38	15.25	10.50	4,373	4.04	1.30	210.8

Financial Update

Company and Market	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd O	9.8	.00	.0	—	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet M	12.7	.13	1.8	—	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest M	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	12.9	.60	2.7	—	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn A	8.7	.08	.9	—	9 mos.	09-84	48.6	24.6	.6	- 33.3	.20	- 33.3	135.6	21.7	2.5	- 13.8	.81	- 12.9
Po-Folks M	13.9	.00	.0	—	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys N	8.0	.40	2.9	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	NE	.00	.0	—	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants M	23.8	.00	.0		6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	14.8	.00	.0		fiscal	12-84	34.6	- 2.8	.5	- 44.4	.20	- 47.4	132.4	- 6.2	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	17.7	.00	.0	—	fiscal	12-84	8.5	13.3	.5	25.0	.21	23.5	36.4	23.0	2.1	50.0	.89	23.6
Ritzys G D M	NE	.00	.0	—	fiscal	12-84	3.3	50.0	(2.7)	NC	(.52)	- 100.0	13.9	87.8	(4.3)	NE	(.83)	NE
Rusty Pelican M	19.2	.00	.0	—	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	33.3	.00	.0	—	fiscal	12-84	9.3	66.1	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp N	12.1	.52	1.7	—	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef M	13.1	.00	.0	—	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley M	4.1	.00	.0		fiscal	12-84	17.9	- 1.6	2.8	NE	.70	- 66.2	66.2	- 9.3	8.1	NE	2.05	- 4.7
Shoney's Inc M	24.5	.15	.5		3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	11.9	.00	.0	—	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp O	NE	.00	.0		fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl M	13.5	.00	.0	—	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	12.1	.06	.5	—	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	15.7	.00	.0		9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Taco Viva M	18.6	.00	.0	—	6 mos.	11-84	5.6	55.6	.3	200.0	.12	50.0	12.2	74.3	.6	100.0	.26	30.0
TGI Friday's N	17.1	.00	.0	—	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas O	NE	.00	.0	—	3 mos.	03-84	2.6	18.2	(.1)	NC	(.07)	- 100.0	2.6	18.2	(.1)	NC	(.07)	- 100.0
Transworld N	10.9	.40	1.2	—	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	13.1	.28	5.3		3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants M	20.[illegible]	.12	.4	—	fiscal	10-84	87.9	145.5	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations M	NE	.00	.0	—	6 mos.	09-84	22.2	- 3.5	(1.7)	NE	(.47)	NE	45.9	- 3.6	(2.5)	NE	(.70)	NE
Wendys Intl N	18.8	.21	1.2	—	fiscal	12-84	249.9	27.0	17.6	18.9	.24	20.0	944.8	32.1	68.7	24.5	.94	23.7
Wstn Steer M	17.1	.20	2.1	—	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	17.6	.00	.0	—	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Brock Hotel Cp N	NE	.10	3.3	—	9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels N	14.4	1.80	2.9	—	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns N	14.4	1.00	1.9	—	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	24.5	.09	.4	—	3 mos.	09-84	47.9	192.1	5.8	26.1	.30	25.0	47.9	192.1	5.8	26.1	.30	25.0
Ramada Inns N	26.3	.00	.0	—	9 mos.	09-84	156.3	- 3.5	6.0	- 65.5	.16	- 67.3	448.0	2.3	6.8	74.4	.18	1700.0
Servico Inc M	8.5	.00a	.0	—	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl M	7.9	.40	1.5	—	fiscal	12-84	19.1	6.7	5.9	NE	3.83	NE	81.2	10.6	5.3	211.8	3.42	235.3
Allegheny Bev M	11.8	.40	2.0	—	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	NM	.48	5.0	—	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	64.5	1.20	1.5	—	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods O	23.6	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	13.9	2.24	3.9	—	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R N	10.4	2.80	6.7	—	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart A	14.6	.00a	.0	—	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	15.2	1.80	5.8	—	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	24.3	1.68	3.1	—	fiscal	12-84	2272.8	- 1.4	(43.1)	- 100.0	(.32)	- 100.0	7698.7	8.5	200.8	- 29.3	2.25	- 25.2
Pillsbury Co N	11.1	1.56	3.2		9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	20.7	.23	1.8	—	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Happy hour bans: Why restaurateurs now favor them

By Rick Telberg

A few years ago restaurateurs, a free-enterprising lot if ever there was one, would have risen up in indignant protest if the Government had tried to tell them how much to charge for a cocktail.

But now, as one state after another does just that by restricting happy-hour promotions, restaurant operators are rallying in support of Government intervention.

Why that amazing reversal? For all the justifiable outrage over the carnage on the nation's highways, some of the reasons can be counted in dollars and cents.

"We look at happy-hour bans as a price increase, and that's good for margins," said Martin Casey, chief financial officer at El Torito Restaurants Inc. of Irvine, Calif.

"If all the restaurants got together and banned happy hours," Casey added for irony, "we'd all be thrown in jail for price fixing."

Six states have moved in recent months to outlaw merchandising practices that encourage drunkenness, according to the count at Mothers Against Drunk Driving in Hurst, Tex. The Federal Government has mandated a 21-year-old national drinking age by 1986 and passed a 19% increase in liquor excise tax effective this October. Dram shop laws holding the bartender liable for the actions of an intoxicated patron have spread to 23 states. In all, 360 laws have been passed since 1981.

The latest and most sweeping happy-hour regulations were promulgated in December by Massachusetts, which has set a national standard now being debated in California. Among other rules, Massachusetts forbids bars and restaurants from changing prices for a week at a time.

The seven-day-long price freeze outlaws discounts for slow-selling afternoons or ladies' nights or for two-for-one specials that don't last all week. In effect, Massachusetts has set a floor under prices.

Rupprecht Scherff, owner of the 275-seat Student Prince German-American restaurant in Springfield, Mass., doesn't mind. Relieved from discount-price challenges in the marketplace, his business has actually picked up a little.

Down the street from the Student Prince, where a colleague had been forced into a price war, drink prices have returned to $2.25 from the battle-battered $2. The cost of a jigger of liquor is unchanged at 50¢, Scherff said, but the colleague's margins are fatter.

Scherff's son, Rudy, said that after the law went into effect, howls of pain arose from tavern operators who were building volume with liquor promotions.

"But they were marginal operators anyway," said Rudy, "down for the count to begin with and going for the suicide-drinking nights to get some cash flow.

"I wish," he said, "the industry had been able to regulate itself. But it didn't. And you have to balance Government intrusion in business against someone getting killed by a drunk driver."

But what led to those happy-hour price wars in the first place? The same economic forces, it seems, that are prompting restaurateurs to accede to a Government-imposed truce.

Alcoholic beverage sales in bars and restaurants have been skidding for years. From 1972 to 1977 they fell 10% after inflation. The drop steepened to 16% in the next five years. In 1983 real sales slipped about 0.5%. Last year they plummeted about 3%.

In fact, some of the current softness in the whole eating-out business may stem from America's Neo-Prohibitionism. Denny's Inc. of La Mirada, Calif., has suggested that fewer carousers at large could have caused sluggish late-night traffic counts in its coffee shops.

But do happy hour bans really curb drunk driving?

Even MADD—which was founded five years ago by Candy Lightner and has probably changed the restaurant business more than anyone since Ray Kroc bought the rights to a San Bernardino, Calif., hamburger stand—cannot make a convincing argument.

MADD spokesman Anne Seymour said the only scientific study she knows of dates back to 1977, when 34 male volunteers were split into two groups, one enticed with off-price drinks, the other not. "It is surprising," she said, "there haven't been more studies."

Fred Sampson, executive director of the New York State Restaurant Association, remains a skeptic.

"The real issue is the problem drinker," Sampson said recently. "Happy-hour restrictions will not cure any ill, real or imagined. They will merely postpone and shove the real culprit under the rug and just create an illusion of action."

CORRECTION: The name of the family who founded Zab's Backyard Hots of Rochester, N.Y., was misspelled in the March 25 Spotlight on Finance. It is spelled Zabkar.

Menu prices steady; sales trends reverse

WASHINGTON — Restaurant menu price inflation held steady in February at a 3.9% annual rate and food costs continued to ease, but real sales volume in the industry declined at a 1.1% annual rate in the month, new Government reports show.

The U.S. Labor Department said its Food-Away-From-Home Consumer Price Index rose 3.9% in February from a year before, matching January's 3.9% year-to-year inflation rate and slowing from 1984's average 4.1%.

In a separate report, the Labor Department said its Producer Price Index for Finished Consumer Foods, which tracks food-service industry food costs, rose a scant 0.3% annually in February, down from January's 0.7% rate and a fraction of 1984's 3.8%.

The U.S. Commerce Department previously had reported that sales at the nation's eating and drinking places rose a mere 2.8% in February from the year before, a marked slowdown from January's 4.3% and 1984's 8.3%.

After discounting the eating-out inflation rate, February's nominal 2.8% rise translated to a negative 1.1% annual rate of negative growth. The 1.1% real drop follows a paltry 0.4% real rise in food-service industry sales in January and a healthy 4.1% real rate for all of 1984.

Unusually severe winter weather, tough comparisons with significant gains last year and a general slowdown in consumer spending have been blamed for February's dismal industry performance.

While a low inflation rate indicates a stable business climate, businesses find it hard to pass along increased costs in the form of increased prices and are exposed to the hazards of narrowed profit margins.

But Government data on food costs show no new pressures on profits.

FOOD COSTS REMAIN MODERATE

(Selected February Data, Annual Percentage Change)

	UPS
Fish	+24.1%
Soft drinks	+ 4.7
Alcoholic Bev.	+ 0.5
	DOWNS
Vegetables	−23.2%
Poultry	− 9.1
Beef	− 5.5
Pork	− 0.7

Source: U.S. Labor Dept., Producer Price Index

Only the fish price index, among the major food groups, is trading significantly higher than a year ago. The index in February was 24.1% higher than a year before.

Beef and veal prices continued a moderate decline, down 5.5% on the year. Pork was down 0.7%.

Soft drink prices were up 4.7% and alcoholic beverages were up 0.5%.

Pizza Inn sales soften; ad spending up

DALLAS — Soft sales and increased advertising spending resulted in a fourth-quarter loss for Pizza Inn. It finished the year ended Dec. 30 with net profit down 55%, compared with the previous year, to $1.6 million. Revenue was up 24.6% to $185 million.

Despite a 33% rise in fourth-quarter revenue, compared to the same period the preceding year, Pizza Inn registered a net loss of $907,000.

To offset the flat sales trend, the company said it spent about $1 million more in advertising in the fourth quarter than it had in any previous quarter. The increased spending was mainly for consumer promotions.

Pizza Inn said its efforts had paid off, resulting in 3.1% real sales growth in January this year and 8.7% in February.

Franchisees also reported sluggish sales at the end of the year, the company said.

Meanwhile, Pizza Inn continues testing new products and services such as home delivery and a pasta bar buffet. Delivery was being offered in about 20% of the system's 750 units.

Pillsbury's restaurants post 8% 3rd quarter gain

MINNEAPOLIS — Pillsbury Co. said operating profit at its restaurant businesses, which include Burger King, Bennigan's and Steak & Ale, rose 8% in the third quarter ended Feb. 28 from the year-ago period.

Nine-month restaurant pretax profit rose 15%, the company said. Pillsbury did not detail the results.

Burger King's operating profit was up 11% for the quarter and 18% for the nine months, as systemwide sales expanded 14% for the quarter and units posted 5% gains.

S&A Restaurant Corp., which operates Steak & Ale, Bennigan's and J. J. Muggs, lagged with a 3% profit rise for the quarter and 11% year to date.

Pillsbury said "lower average unit sales, reflecting both lower liquor sales and severe winter weather in much of the country, penalized results."

WALL STREET UPDATE

Index slips 0.3 to 119.6; losers top gainers 44-41

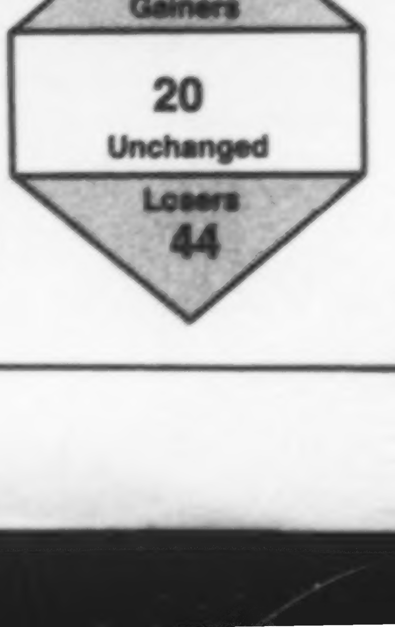
By Donald Jeffrey

NEW YORK — Market activity was relatively flat as the *Nation's Restaurant News* Stock Index dipped just 0.3 points to close at 119.6 on March 29.

The Dow Jones Industrial Average, meanwhile, was up only 0.67 points in the week to close at 1,266.78. The market rose 6.07 points on Friday, however, as the Government reported that leading economic indicators had risen 0.7%—higher than expected—in February, fueling confidence in the economy's continued growth.

Declining issues outnumbered advancing issues, 44 to 41, on *NRN*'s complete 105-stock listing, which includes lodging and diversified companies. Twenty issues were unchanged.

Trading in food-service stocks was relatively slow last week, as only 25 traded at a higher volume than the 12-week average. A total of 80 traded at lower volume.



(See ***INDEX****, page 56)*

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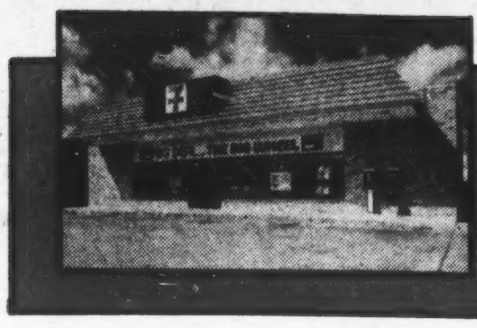


Fast food at c-stores: New routes to profits
—Focus/F5-7

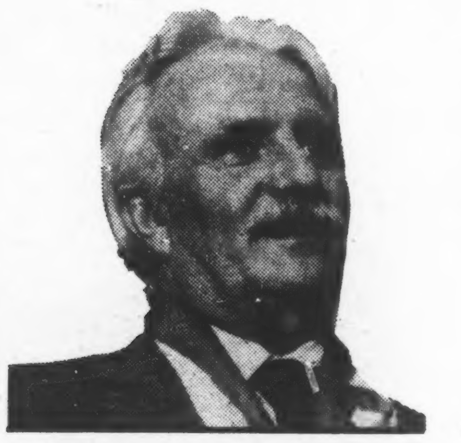
States tackle alcohol issues
—Pages 72, 77

Disney execs accelerate expansion on all fronts
—Focus/F10

Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

Vol. 19, No. 16 Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year April 15, 1985

Bitter debate rages over American cuisine



'New American cooking . . . is a joke. It is nothing serious.'

—Roger Vergé

'[American chefs] have no background, no training.'

—Jacques Maximin

'French Cuisine has taken a step backward in importance.'

—Tom Margittai

French snipes spark angry response

By Paul Frumkin

French chefs and restaurateurs are jealous of the rising prominence of American cooking and worried about their own diminishing reputations on the world culinary scene, according to some of their leading American counterparts.

The Americans voiced those opinions after hearing some French chefs and restaurant operators denigrate American cuisine as simply too young to be taken seriously at a recent benefit in New York. The French are also saying that American food lacks sophistication and maturity—as do many of its "celebrity" chefs.

"You cannot talk about the new [American] cuisine because you must have tradition before you have cooking," French chef Alain Chapel asserted, "and there is no tradition" in the United States.

At the same time the United States was snubbed when American chefs—who walked off with most of the top awards at the last two international

*(See **U.S. CHEFS**, page 14)*

Bidding war rocks Hilton

Golden Nugget eyes 25% share of chain

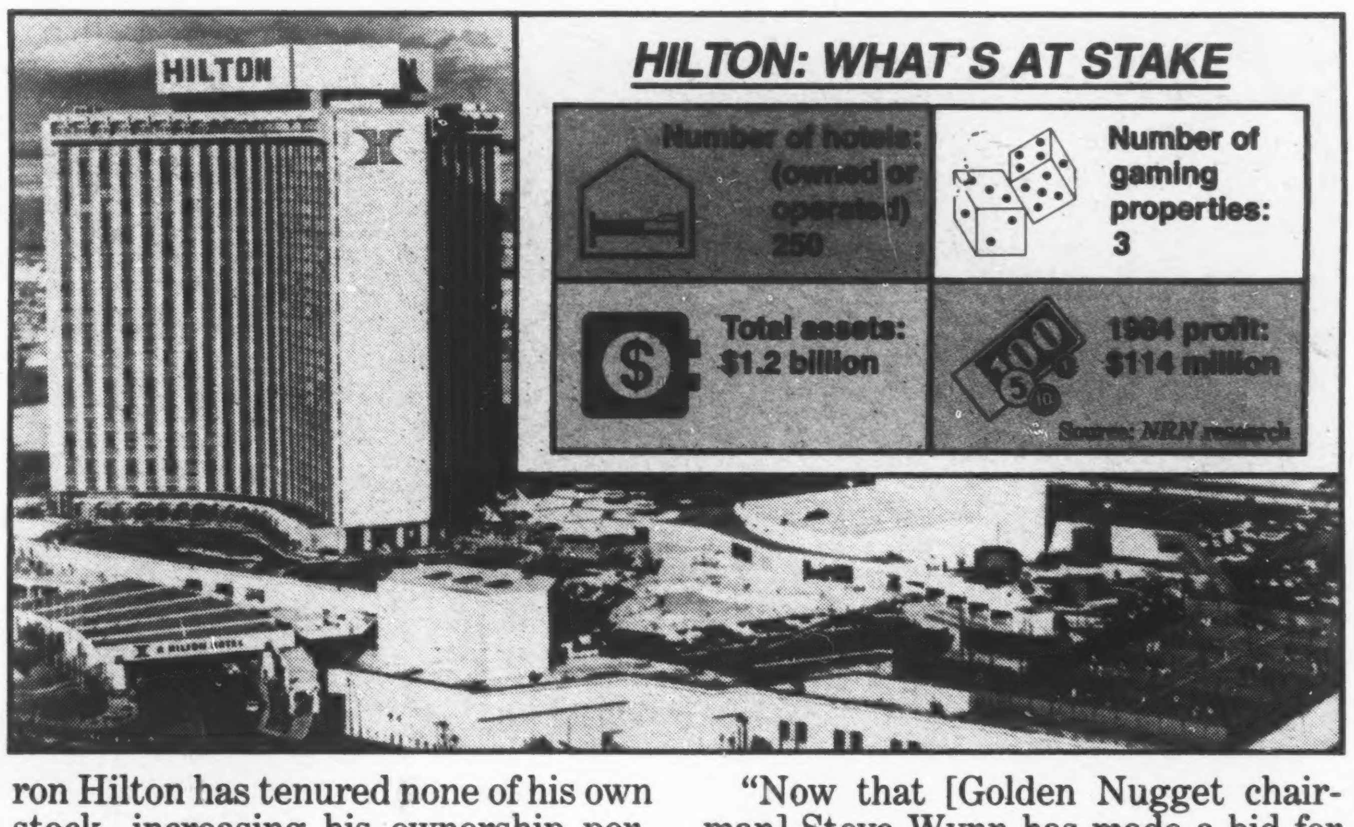
By Peter Romeo

BEVERLY HILLS, Calif. — Golden Nugget's attempt to take over Hilton Hotels Corp. may prompt Hilton chairman Barron Hilton to set in motion his own leveraged buyout (LBO) of the chain, analysts say.

Before Golden Nugget's $488 million bid for a 25.4% interest in the chain, reports were circulating that Barron Hilton was laying the groundwork for an LBO by using Hilton's stock buy-back program to his advantage.

Though Hilton repurchased two million of its shares last year and is now repurchasing two million more, Barron Hilton has tenured none of his own stock, increasing his ownership percentage to 3.3%.

However, many analysts believed he would not attempt the LBO for several years.


HILTON
HILTON: WHAT'S AT STAKE
Number of hotels: (owned or operated) 250
Number of gaming properties: 3
Total assets: $1.2 billion
$
1984 profit: $114 million
Source: NRN research

"Now that [Golden Nugget chairman] Steve Wynn has made a bid for Hilton, Barron Hilton may try to speed things up," said John J. Rohs, an analyst with Wertheim & Co. Inc.

*(See **HILTON**, page 99)*

F.D.A. balks over sulfites

Wants more tests before final ruling

By Linda Breggin

WASHINGTON — Despite growing pressure from Congress, consumer groups and the food-service industry, top Reagan Administration officials have refused to endorse a Government ban on the use of sulfite preservatives. *(Sulfite bill introduced in Congress, page 80.)*

In testimony before a House Commerce subcommittee, Food and Drug Administration Commissioner Frank Young said the danger sulfites "pose to human health requires our closest attention," but further scientific review

*(See **SULFITE**, page 99)*

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'85 food-service

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BETHESDA MD 20814

Kikugawa fights to gain Hungry Tiger turnaround

By Richard Martin

VAN NUYS, Calif. — Comprehensive strategic planning implemented by a new front-office team and a stylish new menu—replacing a cumbersome ring-binder affair—will help 41-unit Hungry Tiger return to profitability, the president and chief executive of the southern California-based seafood dinnerhouse chain predicts.

Vincent E. Kikugawa, who took the helm of the troubled Hungry Tiger fleet last fall from his post as chief executive of the profitable Marriott/Host dinnerhouses, anticipates a second-half reversal from the company's

*(See **HUNGRY**, page 16)*

Hungry Tiger Inc.
Van Nuys, Calif.
Publicly held company operating 41 dinnerhouses under three divisions: 26 Hungry Tiger seafood restaurants, six Breakers seafood grills and eight-unit California Restaurant Concepts group
Latest six-month loss: ($466,000), vs. $204,000 year-ago profit
Stock traded Over-The-Counter
52-week range in stock price: $7.25 to $3.63, recently trading at $5.75

Morrison closing 13 unprofitable units

By Howard Riell

MOBILE, Ala. — Morrison, the nation's largest cafeteria chain ranked by sales, said it would close 13 unprofitable restaurants over the next few months.

Directors of the 156-unit cafeteria chain have approved the creation of a $6 million pretax reserve in the fourth quarter, ending May 31, to cover the closings, which could put 780 employees out of work.

The 13 units, which have not been identified, had combined annual losses of $2.3 million, said Richard McGeoch, vice president of marketing and planning.

Tammy Preston, an analyst for the investment banking firm of Alex. Brown & Sons of Baltimore, called the decision to close the units

*(See **MORRISON**, page 99)*

Church's unveils $5M catfish ads

Catfish is now on the menu in 900 Church's units.

By Mark Schoifet

SAN ANTONIO — Church's Fried Chicken is spending $5 million to convince the American public that the catfish it serves is not the kind found scavenging the bottoms of muddy rivers.

The chain is bolstering its national rollout with spot television, radio and direct-mail advertising that illustrates Church's catfish as both farm-raised and grain-fed. Catfish, now in about 900 of Church's 1,500 units, accounts for about 15% of unit sales.

"Our research showed that there are many people who believe catfish is a bottom-feeding mudfish, something you'd find on the bottom of the Mississippi River," said Fred Gonzales, vice president of marketing. "People buy our fish; they find it doesn't smell. It's white. All of that comes from the fact that it's farm raised and grain-fed."

The campaign, handled by Grey Advertising, Los Angeles, features two 30-second television spots promoting the product as a "new and exciting" menu item that "tastes fresh, not fishy." It is aimed at the 18-49 age group.

Originally one of the TV spots contained a chorus singing "Have some catfish, some catfish from Church's" to the tune of the Hallelujah chorus from Handel's *Messiah*. But the music was changed after some viewers objected to its religious connotation. The lyrics, however, remained basically unchanged.

Church's, which now accounts for an estimated one-third of all farm-raised catfish consumed in the United States, said it believes the rollout has given it an almost insurmountable lead on the rest of the fast-food industry. Gonzales equated the marketing campaign to what McDonald's did with its pace-setting Chicken McNuggets rollout.

"We feel our introduction of nuggets was a defensive strategy," Gonzales said, "but the catfish is really an offensive strategy."

He said it would be "very difficult" for another chain to implement a major catfish program because of the exclusivity of some of Church's purchasing arrangements. "People could not get into this category very easily now," Gonzales said.

The rollout is expected to be completed by the end of the month.

Church's markets its catfish in three price points: a three-piece snack with such extras as french fries, jalepeño, coleslaw and hush puppy for $1.99; six pieces plus extras for $3.69, and 15 pieces and extras for $6.99.

The catfish is dipped in batter, rolled in seasoned corn meal and deep-fried.

For 2 chefs, Manhattan is the Big Apple of their eyes

Puck to tailor menu to New Yorkers

NEW YORK — Wolfgang Puck, chef-owner of California's Spago and Chinois on Main, is coming east to open a restaurant in the heart of midtown Manhattan.

Puck is in New York this week to negotiate a lease for a 6,500-sq.-ft. site in the Equitable Life Assurance Building on West 50th Street.

"It will be something new," Puck said, adding that the concept would be "tailored to New York tastes." He said he was coming here because "it was always my dream."

Spago, Puck's three-year-old, 140-seat restaurant on Hollywood's Sunset Strip, is credited with popularizing California cuisine, with dishes like pizza made with Santa Barbara shrimp and baby lamb sausage atop buffalo-milk mozzarella.

Chinois on Main in Santa Monica features Puck's interpretation of Oriental cuisines. He also owns 30% of Tokyo's Spago, a close replica of the original.

Puck said he hopes to open the New York restaurant by the end of the year.

Another California chef, Jonathan Waxman, opened the acclaimed Jams in New York last spring. Chef Jeremiah Tower and Michael McCarty, who owns Michael's in Santa Monica, are also searching for Manhattan sites.

Wolfgang Puck

K-Paul's plays N.Y. for month

NEW YORK — Cajun chef Paul Prudhomme will be relocating his restaurant, K-Paul's Louisiana Kitchen, to Manhattan for one month.

From July 22 through Aug. 23, he will close his New Orleans operation and move his entire staff to an already existing restaurant on New York's Upper East Side.

He said the New York restaurant—jokingly referred to as "K-Paul's-on-the-road-East"—will offer the standard K-Paul's menu.

It will be the second time Prudhomme and his staff have set up temporary quarters in another city. In 1983 he opened K-Paul's in San Francisco, also for one month.

Paul Prudhomme

'Food away from home' sales outpace supermarkets

By Diane Hatcher

WASHINGTON — Consumer demand for restaurant meals and other "food away from home" is now growing almost 50% faster than sales of food in supermarkets and grocery stores, according to new market figures released by the Commerce Department.

Total U.S. spending on food-away-from-home has climbed 9.3%, to $113 billion, during the Government's 1984 fiscal year, compared with a markedly smaller 6.3% rise in spending on food served at home, the department's new Bureau of Economic Analysis Statistics indicate.

Total consumer food expenditures for the fiscal year ended last Sept. 30 reached $395 billion, up by 7%, or $26 billion, from the previous year's figure.

But Americans appear to be tightening up on overall food expenditures, according to the report. Disposable income increased by about 10%, to $2,600 billion, last year, while the percentage going to food fell by four-tenths of a per cent, the Commerce Department figures showed.

Spending for food at home is still about twice as high as for that away from home, but the percentage of food dollars being spent for eating out grew three times as fast during the final quarter of fiscal year 1984.

The percentage of the consumer dollar being spent on alcohol was on the increase as well last year, and despite widespread efforts to decrease drinking and driving, the figures indicate that away-from-home alcohol consumption rose by a slightly larger percentage than did at-home drinking.

Bars and restaurants poured more than $20 billion dollars' worth of beer, wine and liquor last year, up a healthy $1.2 billion from the statistic of the previous year. That's a 6% increase from what was spent in 1983.

Alcohol consumption at home wasn't far behind, rising just under 5% for the same period. At-home drinking still accounts for 60% of the total drinking dollar, though, at $33.8 billion last year.

COMMODITIES

Eliminating antibiotics in feed affects poultry prices

By Gary S. Friedman

There has been a lot of press lately on the use of antibiotics in animal feed. At least one major Southwest cattle feeder has voluntarily ceased that practice before additional regulation and bad publicity make it less a matter of choice and more of an issue.

Antibiotics and other means of increasing growth rates or controlling the outbreak of disease in herds or flocks impact the efficiency of production, which will of course directly affect wholesale prices.

The poultry market has been amazingly successful in increasing the efficiency of production year after year through lesser reliance on chemical means. In real terms the cost of production has been declining for the last 20 years and with that wholesale prices, too. A quick view of that data will indicate that, for the same period of time, price movements have been roughly 50% of the inflation rate. Of course, there are aberrations, as was the case last year, when prices at the wholesale level increased 10%, far exceeding the inflation rate for 1984.

What makes that general trend for the last 20 years so amazing is that the single largest component in broiler production is outside the producer's control. Feed costs are 60% of the total cost of raising broilers for market.

A great deal less production efficiency has been attributed to the use of chemical antibiotics in broilers than to the use in cattle. That is partially due to economic differences between the two industries. It is simply economically unfeasible to treat each bird individually, as is often done in the case of a herd of cattle. The amount of loss through the destruction of one bird does not even approximate a single percentage of the potential loss of one head of cattle.

Therefore the poultry industry has been forced to get more efficiency out of genetics and breeding than has any other group in the animal complex.

What will all of that efficiency bring us in the short run in terms of wholesale prices? Current supplies of broilers are adequate. Cost of production is in the mid-40¢/lb. range against a whole price of upper 40's to low 50's. As far as breakeven margins go, this is a good year for broiler production, which should control price increases.

Look for prices to remain in the high 40's on the wholesale level through Labor Day. Past Labor Day expect them to break to the mid-40's once more, reflecting more price competition from the hog cycle entering the market pipeline.

PRICE MOVEMENT AT A GLANCE

Cash Prices	4/3/85	Year Ago
Broilers, dressed "A" N.Y. lb.	$0.4843	$0.6052
Butter, AA Chgo lb.	01.41½	01.43¾
Eggs, lrg white Chgo dz	0.62-0.65	0.99
Flour, HRW, KC cwt.	9.95	10.15
Pepper, black, N.Y. lb.	1.74	0.94
Pork Bellies, 12-14 lb., Mid-U.S. lb.	0.59	0.64
Potatoes, rnd white, 50 lb. FOB Maine	2.00	3.68

Source: NRN research

FOCUS | NRN

COVER STORY

C-STORES: NEW ROUTES TO FAST-FOOD PROFITS

By Mark Schoifet

Whether they are perceived as a threat from outside the ranks or as merely another growing segment of the food-service industry, convenience stores can no longer be taken lightly by anyone involved in fast food.

No longer is the c-store an outlet used primarily by hurried blue-collar workers who need a loaf of bread and a quart of milk on the way home from work. Customers can now withdraw money from an automatic teller machine. They can also pick up the mail, rent a video cassette and order flowers. But most of all a customer can eat there. And he or she can eat a lot more than just a microwave grilled-cheese sandwich.

The c-store industry is keenly aware of the growth potential of fast food. Spurred by high profit margins on fast food, chain executives are tailoring their marketing strategies and new-store designs to accommodate a greater emphasis on food service. The major trade group, the National Association of Convenience Stores, is sponsoring fast-food workshops around the country. And suppliers are peppering the pages of c-store trade publications with ads for chicken nuggets, cooked beef, friers, hotdog machines and soda fountains.

The types of fast food offered at the 55,000 convenience stores in the United States and Canada are as varied as the markets they serve. Circle K sells 10 types of burritos under its Old Santa Fe label in the Southwest. In Miami the chain is testing a Cuban sandwich that contains two types of cheeses, luncheon meats and barbecue pork on a special bread.

Huntley-Jiffey, a 290-unit chain based in the Southeast, sells fried okra. And the Carmi, Ill.-based Huck's Convenience Stores has rolled out Polish sausages, which sell well in predominantly black and southern markets, according to the 112-unit chain.

And more and more chains are discovering the high profit margins that go hand-in-hand with a successful on-premises fried chicken program. The Pantry, a 468-unit chain based in Sanford, N.C., has invested $70,000 in chicken equipment at a prototype store in Greensboro. The unit is reportedly posting sales of between $4,200 and $5,000 a week in chicken and deli sales alone. More than 60 Pantry units have chicken operations.

"With the high quality of people we're hiring, and with the system we're developing, we feel that with a relatively low capital expenditure, we can do as well as a smaller Kentucky Fried Chicken unit," Pantry's director of operations, Chuck Grubbs Jr., said in a recently published interview.

In perhaps the most blatant example of the c-store industry's incursion into the fast-food market, Huck's is testing drive-thru service at units in Mount Vernon, Ill., and Union City, Tenn. The drive-thru menu features fried chicken, breakfast sandwiches, deli sandwiches and fountain drinks, according to Randy Fulkerson, vice president of Huck's. Orders are placed through a two-way speaker system, and prices are listed on a menu board. The window service is available from 6 a.m. to midnight; the store itself is open around the clock.

"Wendy's and McDonald's—they're fast-food-oriented. They're built around it," Fulkerson said. "We've got to get away from our image. We've got to become more fast-food-oriented."

At the forefront of the push toward greater fast-food sales and the leader in other industry segments as well is the giant 7-Eleven chain, which is believed to sell more cups of coffee than any restaurant chain, including McDonald's. The 7,473-unit chain is nearly three times as large as its nearest competitor, the 2,650-unit Circle K.

On the heels of its recent introduction of fresh hotdogs and nachos, 7-Eleven is rolling out five new croissant sandwiches—egg; egg and sausage; ham and American cheese; turkey; ham and Swiss cheese, and a subcroissant with salami, bologna and cheese. The sandwiches, which are microwave heated before they are served, are currently in about 3,500 stores, according to Lorraine Kudla, marketing manager in the fast-food division of the Southland Corp. of Dallas, 7-Eleven's parent company.

"The croissant sandwiches are targeted at the customer, particularly the health-conscious man or woman, who is looking for something lighter than our other sandwiches," Kudla said.

Kudla said 7-Eleven is continuing its emphasis on the hotdogs and nachos through various promotions. On the West Coast, she said, a 3-for-$1 hotdog special has been very successful. "They cannot keep them in stock," she said. "They're selling extremely well."

Kudla echoed a sentiment shared by other industry executives that the quality of c-store food has risen over the past few years. She said the nachos served at 7-Eleven stores "compare favorably to anything you might find at Taco Bell or a place like that."

Meanwhile, 7-Eleven continues to test various new products in different markets, including salad bars and the JT's Bakery and Sandwich Shop concept. The JT's concept, now in about 70 Texas units, features fresh-baked pastries and clerk-served fresh deli sandwiches. The chain is also one of several in the industry that are testing or installing sit-down eating areas.

The leader in the sit-down arena is probably the Houston-based National Convenience Stores, which operates 1,110 Sunbelt stores under the Stop-N-Go, Shop-N-Go, Hot Stop and Colonial logos. NCS is experimenting with a new prototype called The Hex, which is named for its hexagonal shape. The 3,300-sq.-ft. unit includes a 12-seat dining area and a revamped fast-food section. About 25% of the selling space is devoted to fast food.

The Hex is the latest element of a fast-food program that began to take off five years ago. Since then, NCS has

(See C-STORES, page F7)

BIG DEAL...THE BIG WHEEL
Have a submarine on us.
K
FOUNTAIN
HOT DOGS

Top, 7-Eleven, with 7,473 units nationwide, is at the forefront of the push toward greater fast-food sales. Above, a coupon from an ongoing Circle K promotion. Right, the interior of a Circle K unit.

LEADING U.S. COMPANIES OPERATING C-STORES

Company	Headquarters	Store Names	No. of units
The Southland Corp.	Dallas	7-Eleven	7,473
The Circle K Corp.	Phoenix	Circle K Little General UtotM	2,650
Convenient Food Mart*	Rosemont, Ill.	Convenient Food Mart	1,220
Cumberland Farms	Canton, Mass.	Cumberland Farms	1,189
National Convenience Stores	Houston	Stop-N-Go, Shop-N-Go Colonial, Hot Stop	1,110
Munford	Atlanta	Majik Markets	835
Atlantic Richfield (ARCO)	Los Angeles	AM/PM Mini Market	760
Lawson Milk Co.**	Cuyahoga Falls, Ohio	Lawsons	667

*95% franchised
**division of Consolidated Foods

Source: NRN research

FOCUS | NRN

Fast food equals fast growth for Circle K

PHOENIX — The fast-food program at Circle K reflects the aggressiveness and innovation of the fastest-growing chain in the convenience industry.

In the past five years, Circle K has grown from a 1,194-unit chain with sales of $533 million to a 2,650-unit system with sales of more than $1 billion. Thanks to the acquisition of the UtotM and Little General chains, Circle K has spread beyond its original western base to markets in 23 states. In its latest expansion venture, last month Circle K paid an undisclosed amount of cash for 21 Day-N-Nite c-stores in northern California.

Circle K views fast food as one of its key growth areas, and it is consistently updating its program to meet changing consumer needs. Last month the chain rolled out a low-calorie line of sandwiches under the Deli Fresh Lite label. The brand is targeted at working women and white-collar men, rather than the blue-collar male, the traditional c-store patron.

Like other chains, Circle K tailors its menus geographically. It sells 10 types of burritos under its Old Santa Fe label in the Southwest. In Miami, Circle K is testing a Cuban sandwich that contains two types of cheeses, luncheon meats and barbecue pork on a special bread. "We don't want to be carrying a barbecue pork sandwich in Seattle, for example," said Stephen Schwitalla, vice president for food service.

LUNCH COUNTER
EXIT
Self-service fast-food area at a Circle K outlet.

The Deli Fresh Lite introduction follows several other new-product rollouts, including ham-and-cheese croissants, pizza burritos in two flavors under the Pizza Grande label and a variety of breakfast biscuits.

"We're targeting fast foods as our primary marketing thrust," said Schwitalla. "It's the single-fastest-growing category for convenience stores as far as real growth is concerned."

During fiscal 1984 fast food sales jumped 26%, to $53 million, or 8% of merchandise sales. That percentage was expected to rise to 10.5% this year. The chain defines fast food as coffee, fountain drinks, Mexican products, tea, soup, hamburgers, hot chocolate, tray foods and pizza.

Circle K is currently in the midst of a capital improvement program that calls for the remodeling of about 250 stores per year. The new floor plan gives the fast-food section a prominent position in a high-traffic area. Schwitalla said fast-food accounts for about 25% to 30% of the floor space.

As part of the interior design of the remodeled stores, backlit photographs of Circle K's fast-food products are interspersed along the company's signature color band in an effort to promote the program.

Aiding Circle K's drive toward increased fast-food sales is the 18,500-sq.-ft. commissary in Phoenix. It produces some 30 products under Circle K's Deli-Fresh and Old Santa Fe Mexican labels. It also manufactures Deli-Pride sandwiches and El Monterey Mexican products for sale to more than 1,000 outside customers.

C-STORES: NEW ROUTES TO FAST FOOD

'Consumers name lack of value, seating and cleanliness as major disadvantages c-stores face.'

(Continued from page F5)

equipped more than 600 units with complete fast-food centers, including microwave ovens, beverage areas, product display cases and condiment areas.

NCS defines its fast-food category as deli sandwiches and hot foods, fountain drinks, coffee, pastries and ready-to-eat, single-serve frozen foods. The chain says fast food has a combined weighted profit margin of 56%, compared with average merchandise margins of 36% to 38%. Fast food accounts for about 12% of in-store (nongasoline) sales, and NCS hopes to boost that figure to 16% by 1987.

V. H. "Pete" Van Horn, president and chief executive of NCS, said the chain is particularly proud of its Hot Stop deli sandwich line.

"The industry has traditionally merchandised sandwiches as if they were canned drinks, hidden in the cooler vault in the back of the store," Van Horn said. "Our Hex design includes a sandwich merchandiser built into the sales counter, displaying this important category attractively in a high-traffic area."

It is estimated that fast food accounts for about 11%, or $3.5 billion, of annual merchandise sales in the c-store industry. Analysts expect that percentage to climb toward 20% in the second half of the decade. Using the $3.5 billion estimate and comparing it with fast-food sales figures supplied by the National Restaurant Association, c-stores accounted for 8% of all fast-food sales in 1984.

At some chains the increasing emphasis on fast-food sales is dramatic. In the past three years, the fast-food sales percentage at the Phoenix-based Circle K has nearly doubled, from 5.5% in fiscal 1982 to 10.5% this year. From 1980 to 1982, the chain recorded annual fast-food sales of about $23 million. Fiscal 1984 fast-food sales totaled $51.7 million.

At 7-Eleven, which recorded $6 billion in 1983 sales, the definition of fast food is less clear. The company breaks down sales by principal product category, rather than by specific product line. Under those guidelines, soft drinks, baked goods and "other food items" accounted for 18.5% of total sales.

One of the traditional attractions in the move toward fast food is, of course, the higher-than-average profit margins. They averaged 42% for fast food in 1983, according to an industry report. By contrast, the margin on gasoline, which accounted for $15 billion, or 34% of all c-stores sales in 1983, was only 4%. Margins for tobacco averaged 30%.

C-stores have made vast inroads into the fast-food market over the last few years, but more promotion is needed to change the public's primary perception of the convenience store as a place to buy staples. That is one of the conclusions drawn from a Gallup survey sponsored late last year by *Convenience Store News*, the leading industry newspaper.

The poll found that 18% of the respondents (1,016 adult consumers) named some type of fast food when they were asked which products are sold in c-stores. When asked, "Which of the following kind of places would you most likely go to—a deli, convenience store, fast-food restaurant or supermarket—if you wanted takeout food for breakfast, lunch and dinner?" 15% named c-stores. That pales in comparison with other categories, restaurants, delis and supermarkets.

When asked the advantage of buying fast food at a c-store, 29% picked "fast or quick," 12% choose "easy to get to" and 8% chose "reasonable, cheap prices."

Other findings and conclusions drawn from the survey were:

- Young customers (18-24) believe c-store fast food lacks quality, while baby boomers (25-34) and others perceive c-store food as too expensive.
- Variety in product selection, including fast foods and tie-ins, such as beverages and snacks, is a major competitive advantage for c-stores.
- Consumers name lack of value, seating and cleanliness as major disadvantages that c-stores face in competing with restaurants.

Worker prepares sandwiches at a Convenient Food Mart in Louisville.

Index down 1.0 to 118.6; losers beat gainers 5-3

NEW YORK — Slipping for the second week, the *Nation's Restaurant News* Food-Service Operators Stock Index dropped 1 point in the week ended April 4, to close at 118.6

Declining issues beat advancers 49 to 32, with 24 unchanged, on the full 105-issue *NRN* list.

The Dow Jones Industrials Average in the same week, which was shortened by Good Friday, fell 7.73, to 1,259.05, despite a late rally sparked by news that the Republicans had agreed on a U.S. budget plan.

Hilton Hotel shares changed hands 215% faster than the previous 12-week average and closed up $7.13, to $69.63, after Golden Nugget moved to take over the company.

Other percentage-price gainers included Nathan's, Calibre Corp., Capt. Crab, Prime Motor Inns, Old Fashioned Foods, Cucos, A&M Food Services and Servico.

Percentage-price losers were led by Hungry Tiger, off 75¢, to $5.25. Also: Skippers, down $1.13, to $10.13. Allegheny Beverage, off $1.88, to $17.75. Nankin Express, down 13¢, to $1.25. Concept Development, down 75¢, to $10.25.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Hilton Hotels ..... N	215.1	Morrison Inc ..... M	44.2
Old Fashion Fd ..... M	131.0	Jerrico Inc ..... M	41.3
Capt Crab ..... M	86.6	Hambrg Hamlet ..... O	26.3
Transworld ..... N	74.0	Cucos Inc ..... O	16.2
Concept Dev ..... O	63.2	Skippers ..... M	13.9

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
1 Potato 2 ..... O	20.0	Prime Mtr Inn ..... N	6.9
Nathans ..... O	18.5	Old Fashion Fd ..... M	5.0
Calibre Cp ..... M	14.3	Cucos Inc ..... O	4.5
Hilton Hotels ..... N	11.4	A&M Food Svcs ..... M	4.5
Capt Crab ..... M	10.5	Servico Inc ..... M	4.2

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Hungry Tiger ..... M	- 12.5	Vicorp Restaurants ..... M	- 6.5
Skippers ..... M	- 10.0	Ryans Fam Steak ..... M	- 5.9
Allegheny Bev ..... M	- 9.6	Chi-Chi's ..... M	- 5.6
Nankin Express ..... O	- 9.1	Sonesta Intl ..... M	- 5.6
Concept Dev ..... O	- 6.8	Intl King Tab ..... M	- 5.4

	Stock Market											Financial Update																	
	Price							Volume																					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend		Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
																		Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	4-04-85 Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	P/E Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ..... M	5.75	.25	4.5	5.75	5.38	7.50	3.50	55	.15	1.25	- 88.0	18.0	.00	.0	.....	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests ..... O	4.38	.00	.0	4.63	4.38	5.00	3.50	115	.46	.61	- 24.6	15.1	.00	.0	.....	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants ..... O	3.88	.00	.0	4.13	3.88	6.00	2.38	30	.13	.45	- 71.1	20.4	.00	.0	.....	9 mos.	10-84	4.6	17.9	.1	.0	.02	- 60.0	13.6	25.9	.3	.0	.12	- 40.0
Assoc Hosts ..... M	12.50	- .63	- 4.8	13.13	12.25	17.13	10.88	896	2.03	2.76	- 26.4	15.1	.12	1.0	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char ..... A	2.38	.00	.0	2.63	2.25	4.13	1.75	207	.36	.75	- 52.0	NE	.00	.0	.....	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Benihana Natl ..... M	20.25	.13	.6	20.38	20.13	21.75	9.63	159	.55	4.61	- 88.1	22.0	.00	.0	.....	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms ..... M	19.50	- .25	- 1.3	20.00	19.25	20.25	14.75	1,050	.65	1.03	- 36.9	18.1	.30	1.5	.....	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp ..... M	1.00	.13	14.3	1.00	0.75	7.25	.75	40	.13	.44	- 70.5	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food ..... M	11.63	- .25	- 2.1	12.00	11.63	13.25	7.25	621	1.37	3.17	- 56.8	18.5	.16	1.4	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab ..... M	2.63	.25	10.5	2.63	2.38	6.13	1.38	5,973	3.90	2.09	86.6	NE	.00	.0		3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp ..... N	10.13	- .13	- 1.2	10.50	10.00	11.50	7.13	202	.26	1.17	- 77.8	13.7	.07	.7	NEW	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's ..... M	10.50	- .63	- 5.6	10.75	10.25	18.25	10.00	6,464	2.40	4.72	- 49.2	16.7	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc ..... M	26.75	.25	.9	27.50	26.50	27.50	12.75	735	1.63	2.57	- 36.6	39.3	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch ..... N	37.75	.13	.3	38.50	37.38	38.50	22.75	2,148	1.14	2.07	- 44.9	16.7	.80	2.1	.....	fiscal	12-84	182.4	20.2	14.5	79.0	.77	140.6	533.2	17.3	42.6	34.8	2.26	36.1
Collins Foods ..... N	21.00	- .50	- 2.3	22.00	20.75	22.13	9.91	1,488	1.13	1.36	- 16.9	15.9	.16	.8	.....	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev ..... O	10.25	- .75	- 6.8	10.75	10.00	16.69	5.75	1,123	2.17	1.33	63.2	13.3	.00a	.0	.....	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts ..... M	4.88	.13	2.6	4.88	4.75	7.25	4.63	113	.32	.34	- 5.9	13.9	.08	1.6	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant ..... M	5.25	- .13	- 2.3	5.38	4.88	13.50	4.50	757	1.66	2.18	- 23.9	NE	.00	.0	NEW	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel ..... M	14.00	.00	.0	14.50	13.75	23.50	11.75	96	.27	1.20	- 77.5	16.9	.14	1.0	.....	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc ..... O	5.75	.25	4.5	6.25	5.50	5.75	2.75	150	.86	.74	16.2	44.2	.00	.0	.....	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods ..... M	10.00	.00	.0	10.13	9.88	16.75	8.00	15,522	4.60	7.05	- 34.8	18.5	.34	3.4	.....	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer ..... M	13.75	- .25	- 1.8	14.00	13.63	15.50	10.88	873	1.73	3.99	- 56.6	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts ..... M	27.13	.00	.0	27.38	27.13	28.00	18.88	652	1.37	2.58	- 46.9	13.9	.32	1.2	.....	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico ..... M	10.25	.25	2.5	10.38	10.00	10.88	7.25	368	.79	1.71	- 53.8	13.1	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest ..... N	14.88	.50	3.5	15.13	14.63	15.13	9.13	1,090	.98	.99	- 1.0	15.3	.00	.0	.....	fiscal	12-84	61.1	13.6	2.1	110.0	.19	35.7	250.1	18.7	11.1	42.3	.97	42.6
Fast Food Oper ..... O	.69	.00	.0	0.75	0.69	1.63	.63	184	.31	.59	- 47.5	9.8	.00	.0	.....	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes ..... M	6.50	- .13	- 1.9	6.63	6.38	9.13	5.13	1,185	1.70	2.88	- 41.0	NE	.00	.0	.....	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Fresher Cooker ..... O	1.50	.00	.0	1.88	1.50	6.75	1.50	108	.64	.66	- 3.0	NE	.00	.0	.....	fiscal	12-83	NC	NC	NC	NC	NC	NC	2.4	- 4.0	(.9)	NE	(.54)	NE
Frisch's ..... A	20.50	.00	.0	20.50	20.13	20.88	12.00	24	.05	.15	- 66.7	17.7	.22	1.1	.....	6 mos.	11-84	30.1	9.5	1.2	20.0	.28	33.3	70.6	8.3	2.9	7.4	.66	8.2
Fuddruckers Inc ..... M	9.38	- .13	- 1.3	9.50	9.25	15.25	8.50	2,387	3.67	4.22	- 13.0	NC	.00	.0	.....	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot ..... M	2.25	- .06	- 2.7	2.38	2.19	6.38	1.63	720	1.20	2.24	- 46.4	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ..... M	.88	.00	.0	0.94	0.81	3.75	.25	895	3.02	2.92	3.4	NE	.00	.0	.....	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet ..... O	14.25	.50	3.6	15.00	13.75	14.50	9.75	17	.24	.19	26.3	7.7	.00	.0	.....	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger ..... M	5.25	- .75	- 12.5	5.88	5.25	7.00	3.63	96	.33	2.26	- 85.4	27.6	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen ..... O	42.50	- 1.00	- 2.3	44.50	42.50	50.50	37.50	50	.25	.30	- 16.7	11.9	.00	.0	.....	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab ..... M	21.75	- 1.25	- 5.4	23.25	21.75	24.75	11.59	474	1.66	3.46	- 52.0	16.2	.00a	.0	.....	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest ..... M	19.50	- .25	- 1.3	19.88	19.38	21.50	10.38	490	2.11	4.84	- 56.4	15.7	.20	1.0	.....	3 mos.	12-84	18.7	41.7	.6	.0	.26	8.3	18.7	41.7	.6	.0	.26	8.3
Jerrico Inc ..... M	17.88	- .75	- 4.0	18.63	17.63	19.50	13.00	9,018	5.71	4.04	41.3	13.0	.12	.7	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp ..... A	2.25	.00	.0	2.38	2.13	3.88	1.13	43	.19	.76	- 75.0	3.5	.00	.0	.....	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl ..... M	17.38	.25	1.5	17.50	17.00	29.63	13.50	1,010	1.43	3.06	- 53.3	10.4	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston ..... M	.88	.00	.0	0.94	0.81	7.25	.75	957	1.12	3.24	- 65.4	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ..... N	27.88	.00	.0	28.00	27.63	32.00	23.63	160	.13	.40	- 67.5	18.3	.54	1.9	.....	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp ..... M	16.50	.13	.8	16.63	16.38	17.13	11.88	53	.10	.38	- 73.7	10.7	.28	1.7	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp ..... N	83.00	- .13	- .2	84.00	82.50	86.38	59.50	1,387	.54	.72	- 25.0	16.6	.54	.7	.....	fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest ..... O	2.50	.00	.0	2.63	2.50	6.25	2.25	17	.03	.31	- 90.3	31.3	.00	.0		fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's ..... O	4.00	.00	.0	4.13	4.00	6.25	2.50	22	.12	.78	- 84.6	NE	.00	.0	.....	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp ..... N	58.38	- .88	- 1.5	59.88	58.00	62.38	40.84	4,922	.57	1.13	- 49.6	13.3	.82	1.4	.....	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
Morrison Inc ..... M	19.13	.13	.7	19.13	18.63	19.25	13.25	3,409	2.48	1.72	44.2	12.8	.48	2.5	.....	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak ..... O	2.75	- .13	- 4.3	3.00	2.75	3.13	1.13	163	.34	1.26	- 73.0	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express ..... O	1.25	- .13	- 9.1	1.63	1.25	2.50	1.00	62	.28	1.04	- 73.1	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans ..... O	4.00	.63	18.5	4.13	3.50	4.50	1.78	327	1.47	1.82	- 19.2	16.0	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza ..... M	8.75	.25	2.9	9.25	8.50	9.75	7.50	35	.06	.18	- 66.7	9.7	.00	.0	.....	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc ..... M	5.63	.13	2.3	6.13	5.50	10.13	4.75	3,358	7.53	6.83	10.2	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 ..... O	1.50	.25	20.0	1.63	1.25	12.25	1.25	198	.90	1.57	- 42.7	30.0	.00	.0	.....	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

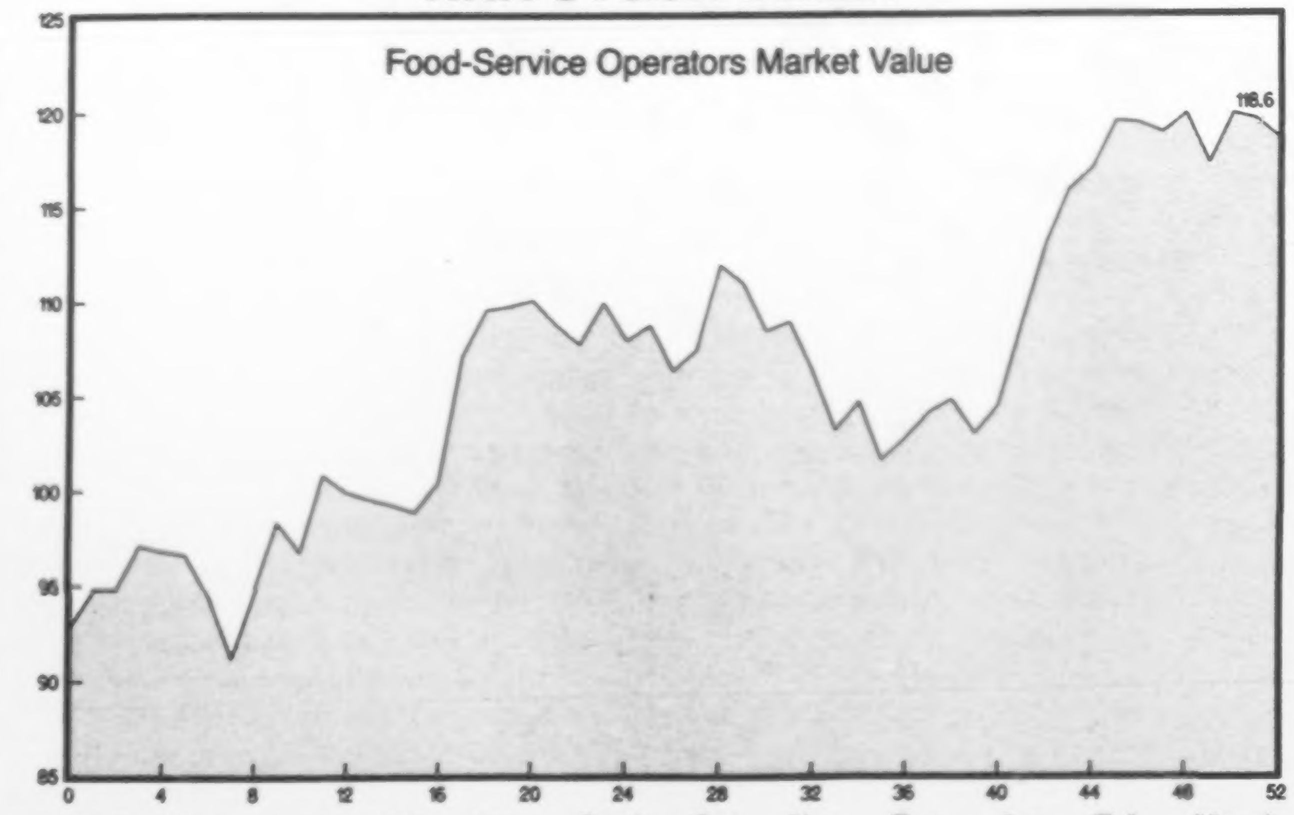
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

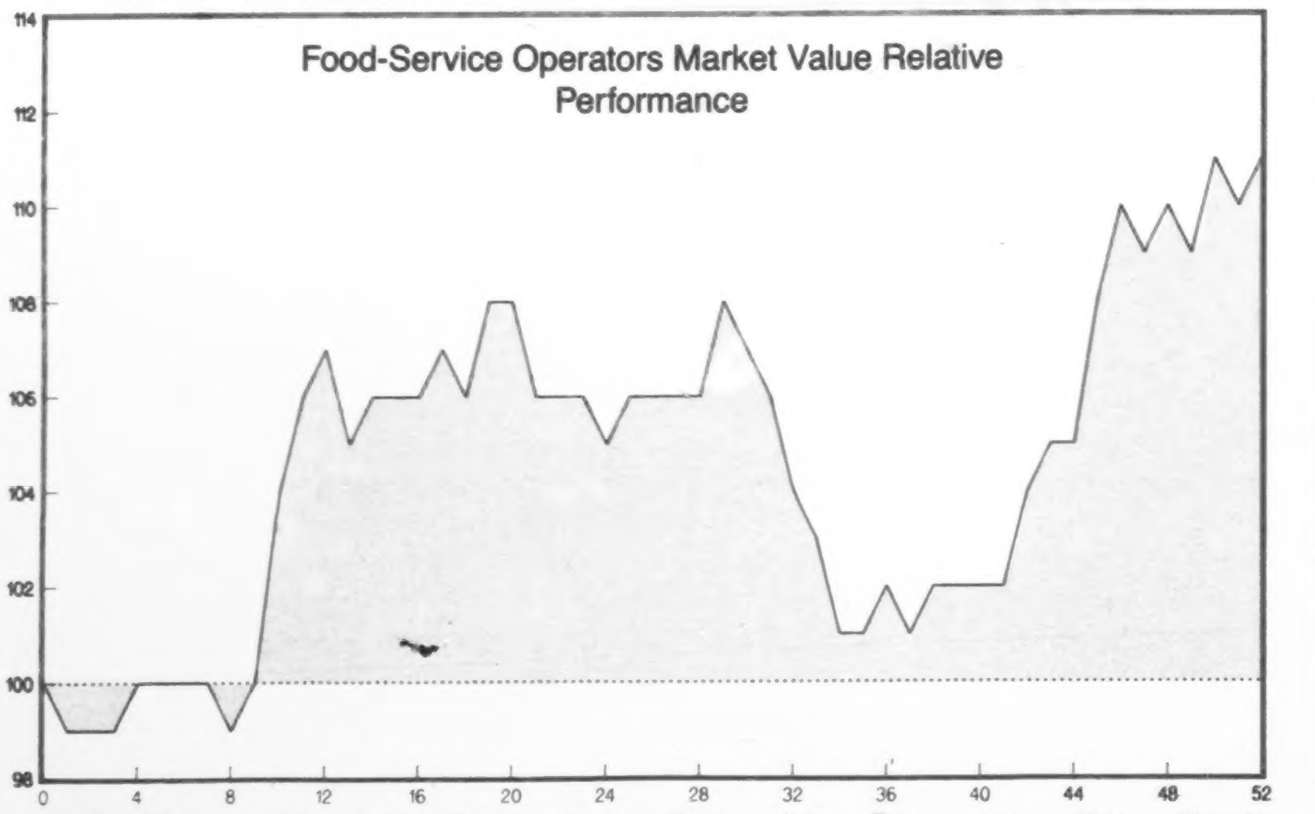
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



Source: Media General Financial Services

Company and Market	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded										Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	4-04-85 Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd .... M	5.25	.25	5.0	5.25	4.50	6.25	4.00	94	.67	.29	131.0	10.3	.00	.0	.....	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet .... M	7.25	.13	1.8	7.25	7.00	8.25	5.88	639	1.72	5.54	- 69.0	12.9	.13	1.8	.....	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest .... M	.44	.00	.0	0.44	0.38	3.38	.25	1,347	1.56	5.91	- 73.6	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf .... M	22.75	.38	1.7	22.75	22.50	24.25	16.50	181	.30	1.78	- 83.1	13.2	.60	2.6	.....	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn .... A	8.88	- .13	- 1.4	9.13	8.75	12.75	6.88	160	.53	1.10	- 51.8	17.1	.08	.9		fiscal	12-84	50.0	33.3	(.9)	- 100.0	(.29)	- 100.0	185.6	24.6	1.6	- 55.6	.52	- 54.8
Po-Folks .... M	10.13	.13	1.3	10.25	10.00	16.63	8.75	136	.31	.95	- 67.4	14.1	.00	.0	.....	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys .... N	13.38	- .25	- 1.8	13.75	12.88	22.88	11.50	769	.80	3.38	- 76.3	7.8	.40	3.0	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc .... O	2.75	.00	.0	2.88	2.75	4.63	2.38	138	.41	1.14	- 64.0	NE	.00	.0	.....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants .... M	9.75	.00	.0	9.75	9.25	16.38	8.00	258	.38	1.12	- 66.1	23.8	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc .... A	8.00	- .13	- 1.5	8.25	7.88	8.88	5.38	55	.19	1.13	- 83.2	14.5	.00	.0	.....	fiscal	12-84	34.6	- 2.8	.5	- 44.4	.20	- 47.4	132.4	- 6.2	1.5	- 31.8	.55	- 37.5
Restaurant Sys .... M	15.25	- .50	- 3.2	15.75	14.75	16.50	9.00	137	.59	1.19	- 50.4	17.1	.00	.0		fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzys G D .... M	2.88	.00	.0	3.00	2.75	8.00	1.75	153	.30	1.30	- 76.9	NE	.00	.0	.....	fiscal	12-84	3.3	50.0	(2.7)	NC	(.52)	- 100.0	13.9	87.8	(4.3)	NE	(.83)	NE
Rusty Pelican .... M	14.50	.13	.9	14.75	14.50	18.25	11.00	84	.30	2.10	- 85.7	19.3	.00	.0	.....	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak .... M	16.00	- 1.00	- 5.9	17.00	16.00	17.75	11.19	1,024	1.59	2.08	- 23.6	31.4	.00	.0	.....	fiscal	12-84	9.3	66.1	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp .... N	29.75	- 1.00	- 3.3	30.63	29.50	35.50	25.88	680	.52	2.01	- 74.1	11.7	.52	1.7	.....	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef .... M	7.75	- .25	- 3.1	8.25	7.75	9.75	6.75	73	.58	.86	- 32.6	12.7	.00	.0	.....	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley .... M	8.63	.13	1.5	9.00	8.38	11.00	6.50	1,411	3.87	6.89	- 43.8	4.4	.00	.0		fiscal	12-84	17.9	- 1.6	2.4	NE	.59	- 71.5	66.2	- 9.3	7.7	NE	1.94	- 9.8
Shoney's Inc .... M	28.13	.25	.9	28.25	27.63	28.38	16.22	1,713	.60	1.72	- 65.1	24.7	.15	.5	.....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South .... M	14.50	- .38	- 2.5	15.00	14.50	16.59	11.00	291	.52	1.20	- 56.7	11.6	.00	.0	.....	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp .... O	4.50	.00	.0	5.00	4.50	8.00	3.25	23	.15	.62	- 75.8	NE	.00	.0	.....	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl .... M	19.00	.25	1.3	19.13	18.75	20.00	9.25	315	.46	1.00	- 54.0	13.7	.00	.0	.....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers .... M	10.13	- 1.13	- 10.0	11.00	10.13	12.50	8.00	651	2.38	2.09	13.9	10.9	.06	.6	.....	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality .... M	5.38	- .13	- 2.3	5.50	5.25	5.88	3.75	623	1.25	4.48	- 72.1	15.4	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Taco Viva .... M	6.38	- .22	- 3.3	6.38	6.13	7.50	4.66	192	.56	1.40	- 60.0	18.2	.00	.0	.....	6 mos.	11-84	5.6	55.6	.3	200.0	.08	60.0	12.2	74.3	.6	100.0	.17	30.8
TGI Friday's .... N	11.13	.00	.0	11.63	10.88	13.13	7.88	398	.35	1.02	- 65.7	17.1	.00	.0	.....	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas .... O	2.25	.00	.0	2.75	2.25	3.75	2.25	9	.06	.21	- 71.4	NE	.00	.0		6 mos.	06-84	2.9	31.8	(.1)	NC	(.06)	- 100.0	5.5	25.0	(.2)	NC	(.13)	- 100.0
Transworld .... N	33.50	- .88	- 2.5	35.25	33.00	37.63	24.50	14,213	4.35	2.50	74.0	10.7	.40	1.2	.....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes .... M	5.00	- .25	- 4.8	5.13	5.00	5.75	2.75	819	1.30	3.55	- 63.4	12.5	.28	5.6		3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants .... M	25.00	- 1.75	- 6.5	26.50	23.75	26.88	13.25	3,228	4.86	4.68	3.8	18.9	.12	.5	.....	fiscal	10-84	87.9	145.5	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations .... M	4.13	- .13	- 2.9	4.13	3.88	7.75	2.13	665	1.87	3.85	- 51.4	NE	.00	.0		9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl .... N	17.25	- .38	- 2.1	17.75	17.00	17.75	9.94	5,381	.73	2.27	- 67.8	18.4	.21	1.2		fiscal	12-84	244.2	24.1	17.6	18.9	.24	20.0	939.1	31.3	68.7	24.5	.94	23.7
Wstn Steer .... M	9.50	- .25	- 2.6	9.50	9.50	12.00	9.00	2	.02	.53	- 96.2	16.7	.20	2.1	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp .... N	6.25	- .25	- 3.8	6.50	6.13	13.38	5.13	240	.53	1.02	- 48.0	16.9	.00	.0	.....	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	2.88	- .13	- 4.2	3.00	2.75	6.00	2.63	609	.46	.87	- 47.1	NE	.10	3.5	.....	9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels .... N	69.63	7.13	11.4	73.50	62.50	73.50	45.50	13,969	5.64	1.79	215.1	16.1	1.80	2.6	.....	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns .... N	53.13	1.25	2.4	53.88	51.50	53.88	35.25	5,699	1.63	4.07	- 60.0	14.8	1.00	1.9	.....	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn .... N	25.13	1.63	6.9	25.63	23.38	25.63	12.66	1,360	.70	1.36	- 48.5	24.4	.09	.4		6 mos.	12-84	67.8	321.1	5.5	37.5	.28	33.3	115.7	256.0	11.3	31.4	.58	28.9
Ramada Inns .... N	8.00	.13	1.6	8.25	7.63	8.25	5.13	10,386	2.79	2.54	9.8	61.5	.00	.0		fiscal	12-84	152.2	13.4	(2.1)	- 100.0	(.05)	- 100.0	600.2	4.9	4.7	11.9	.13	.0
Servico Inc .... M	18.75	.75	4.2	19.00	18.50	22.28	13.41	44	.13	.48	- 72.9	8.8	.00a	.0	.....	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl .... M	25.50	- 1.50	- 5.6	27.00	24.50	27.00	17.50	14	.09	.12	- 25.0	7.5	.40	1.6	.....	fiscal	12-84	19.1	6.7	5.9	NE	3.83	NE	81.2	10.6	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	17.75	- 1.88	- 9.6	18.00	17.00	22.63	13.50	1,421	2.37	2.92	- 18.8	10.7	.40	2.3	.....	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut .... N	9.38	- .25	- 2.6	9.63	9.13	14.56	7.25	601	1.27	1.25	1.6	NM	.48	5.1	.....	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt .... N	77.00	- 1.75	- 2.2	78.25	76.25	81.13	45.25	2,743	.81	2.42	- 66.5	63.1	1.20	1.6	.....	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods .... O	2.13	.00	.0	2.38	2.13	3.13	1.13	98	.42	.94	- 55.3	23.6	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills .... N	55.75	- 2.38	- 4.1	58.75	55.63	60.63	45.75	5,745	1.27	2.10	- 39.5	13.3	2.24	4.0	.....	6 mos.	11-84	1559.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R .... N	40.63	- 1.25	- 3.0	41.88	40.38	44.50	36.50	1,820	.38	.80	- 52.5	10.1	2.80	6.9	.....	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart .... A	10.75	.38	3.6	11.38	10.13	20.00	8.63	1,392	1.13	1.60	- 29.4	15.1	.00a	.0	.....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp .... N	30.38	- .88	- 2.8	31.38	30.00	31.88	24.13	564	.30	1.01	- 70.3	14.8	1.80	5.9	.....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc .... N	54.38	- .25	- .5	54.63	52.38	55.25	37.88	18,957	1.98	2.13	- 7.0	24.2	1.68	3.1	.....	fiscal	12-84	2272.8	- 1.4	(43.1)	- 100.0	(.32)	- 100.0	7698.7	8.5	200.8	- 29.3	2.25	- 25.2
Pillsbury Co .... N	49.00	.00	.0	49.50	48.75	49.50	34.50	2,141	.49	1.32	- 62.9	11.1	1.56	3.2	.....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France .... M	12.50	- .13	- 1.0	12.75	12.25	15.25	10.50	600	.55	1.29	- 57.4	20.5	.23	1.8	.....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
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Beer, wine and spirits: An in-depth NRN survey —Focus/F3-28

Price-less menu attracts customers to Juliano's —Page 71

Clifton's saved from demolition —Page 3

Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

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Sales lag sparks new product boom

Menu additions: Cure for ailing profits?

NRN Special Report

NEW YORK — New-product fever is gripping the industry as Long John Silver's rolls out chicken nuggets, Church's launches a catfish blitz, Taco Bell researches breakfast items and other chains step up development of new menu offerings.

Menu expansion emerged as the chief remedy for lagging sales growth, increased competition and skyrocketing construction and marketing costs at a two-day conference of top chain executives and institutional investors.

"In prosperous times you grow with new units," commented El Chico vice president John Cuellar. "But in times of decline you either have to reduce costs per meal or increase sales per unit" through menu expansion.

Jerrico chairman Warren Rosenthal revealed that the company's Long John Silver's Seafood Shoppes are hopping on the chicken nuggets bandwagon, joining McDonald's—which started the craze in 1983—Kentucky Fried Chicken, Church's and Bojangles'.

Asked by a Wall Street investor whether Jerrico had planned any other "ingenious" new products, Rosenthal declared: "We've been copied enough. Why not give us a turn?" He

(See **NEW PRODUCT**, page 83)

RECENT NEW PRODUCTS AT MAJOR CHAINS

Long John Silver's	Chicken nuggets	Mrs. Winner's	Baked chicken breast filet
Burger King	Breakfast croissant sandwiches	Morrison	Deli cases, bakeries, soup and salad bars
Wendy's	Breakfast omelets and sandwiches	Pizza inn	Pasta bar, stuffed pizza

Source: NRN Research

Alcohol sales holding firm

72% of operators weather the storm

NRN Special Report

Amidst mounting public pressures for drunk-driving crackdowns, some restaurateurs indicate they are weathering the controversy unscathed.

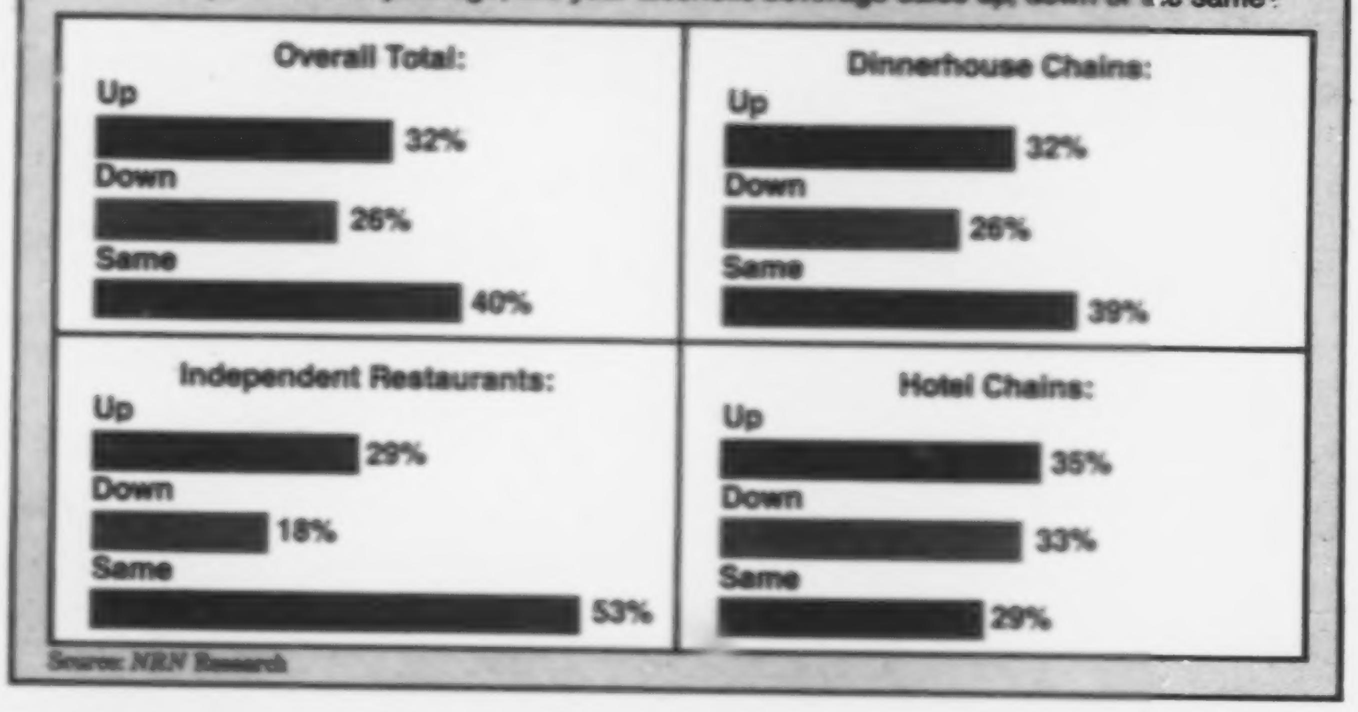
An exclusive *Nation's Restaurant News* survey of 131 of the top-grossing dinnerhouse chains, independent restaurants and hotel chains shows that 32% of them reported alcoholic beverage sales had increased in the past year and 40% reported steady sales trends, for a combined total of 72%, suggesting they were weathering the storm.

But 26% of the operators said wine, beer and spirits sales had slipped. Two-thirds of them, or 68%, attributed the drop to wider temperance, strict new drunk-driving laws or a raised drinking age. And yet their average declines were less than 10%, while the operators who reported gains averaged 15% sales increases.

(See **ALCOHOLIC**, page F3)

ALCOHOLIC BEVERAGE SALES HOLD THEIR OWN

Q: Compared with a year ago, are your alcoholic beverage sales up, down or the same?



Source: NRN Research

McDonald's rolls biscuits

Plans to accelerate foreign-unit growth

By Richard Martin

HOUSTON — McDonald's is rolling out its three biscuit breakfast sandwiches chainwide following successful tests first in the South and most recently in New England, New York and other Northern markets.

At the same time, McDonald's executives confirmed that within four or five years the chain will be opening the same number of new outlets in foreign countries as in the United States. In 1984 the chain opened a total of 526 new units, 182 of which were in foreign countries.

(See **BISCUIT**, page 83)

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Tiny operation becomes mecca for mushrooms

By Paul Frumkin

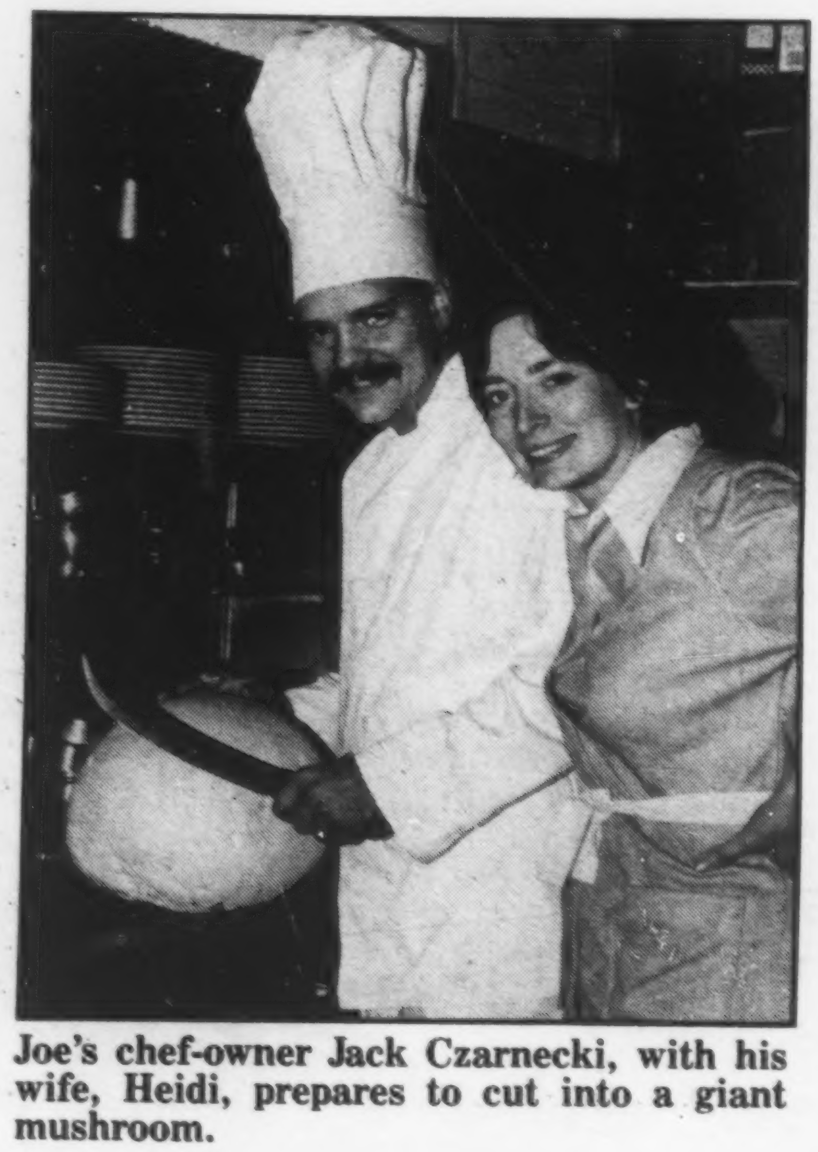
READING, Pa. — Jack Czarnecki *knows* wild mushrooms. In a good year this Reading restaurateur may use up to a 100 different varieties in dozens of thoughtful mushroom-inspired dishes he prepares at his family's 50-seat operation, Joe's.

What's more, Czarnecki apparently knows how to find mushrooms as well. He estimated that last year he and his family harvested at least several hundred pounds of mushrooms.

Mushrooms appear in nearly every dish offered at Joe's—a curious characteristic that has been developing since the 1950's, when Jack's father, Joseph, began to experiment seriously with wild-mushroom cookery.

Over the years Joseph, and later Jack, continued to add to the growing repertory of mushroom dishes, enhancing the restaurant's reputation as something of a wild-mushroom

(See **MUSHROOMS**, page 12)



Joe's chef-owner Jack Czarnecki, with his wife, Heidi, prepares to cut into a giant mushroom.

Burger giants, La Quinta eye joint ventures

Breakfast boom spurs co-development bids

By Peter Romeo

SAN ANTONIO—McDonald's, Burger King and Wendy's have approached La Quinta Motor Inns about developing their restaurants alongside La Quinta, according to executives of the economy-priced motel chain.

"It's not the first time we've talked to fast-food chains, but there's more interest now because they're serving breakfast," said Bob Moore, executive vice president and chief development officer of La Quinta.

Negotiations with the three burger chains "are still in the early talking stages" and center around "specific situations where we both may profit by developing together," Moore said. He added that none of the four parties has a targeted number of sites. They hope for a joint development.

In past co-development arrangements with a number of restaurant chains, La Quinta has usually retained ownership of the site, offering the feeder a build-to-suit lease. In some instances the motel chain has sold the land to the restaurant operator or offered a ground lease.

Moore emphasized that the parent chain or a franchisee would operate the freestanding fast-food outlets. Joint development of a site with one of the burger chains would be a "marriage of convenience" benefiting both parties, he added.

"In some markets the chains encounter landlords with large parcels of land who aren't willing to carve out a chunk to build a restaurant on," Moore explained. "The site could be big enough for both a hotel and a restaurant.

"By developing and leasing freestanding restaurants next to our inns, we provide convenient dining facilities to our guests while remaining free to concentrate on our lodging needs," Moore said.

La Quinta has previously teamed up with a number of independent feeders and restaurant chains, including Denny's, Cracker Barrel, Bob Evans Farms, JoJo's, Coco's, Waffle House, Shoney's and Hot Biscuits.

Fast-food outlets may offer an advantage because "the speed with which breakfast is

(See *LA QUINTA*, page 83)

Clifton's saved from demolition

Landmark L.A. cafeteria gets loan to make city-required renovations

John Lennon(left), manager of Clifton's Brookdale Cafeteria. At right, long-time Clifton's patron Thomas Sweeney, who first visited the cafeteria with his father in 1939.

By Richard Martin

LOS ANGELES — Earthquake susceptible Clifton's Brookdale Cafeteria, with its indoor redwood "forest" and mountain brook, has been saved from demolition by a $1 million loan package that will enable the 50-year-old downtown landmark—reputedly one of the highest-volume public cafeterias in the world—to meet seismic safety regulations.

Closing this week for the first time in its history, the 365-day-a-year institution will lose about $1 million in sales during a two-month-long installation of a steel building frame, Clifton's owners said. Four more months of city-required structural rehabilitation will be done to the 700-seat, three-level cafeteria at Broadway and Seventh Street after it reopens in June.

Clifton's Brookdale serves between 5,000 and 7,000 patrons a day, with meal tabs of about $4, producing annual sales of approximately $6 million—almost three times the per-store volumes of the other five Clifton's owned by Los Angeles-based Clinton's Restaurants Inc.

"We dislike closing about as much as anything I can imagine," said Donald Clinton, who, along with his sister, Jean Clinton Roeschlaub, owns the $17 million-a-year company. The two are fourth-generation cafeteria proprietors, whose great-grandfather started the first family business in Los Angeles in 1888 with a restaurant in the old train station.

Following the family tradition of concern for their fellow man, the Clintons will pay the Brookdale unit's 200 employees between 75% and 90% of their regular wages during the eight-week closure, which will also cost an estimated $100,000 in lost profit.

The owners of the picturesque old cafeteria will feel the break in a custom that began with their father, Clifford Clinton. The son of missionaries, he learned of the ravages of poverty and hunger from boyhood experiences in China.

After the family's restaurant business, Clinton's, was sold in San Francisco, Clifford Clinton combined parts of his first and last names and founded the first Clifton's in Los An-

(See *CLIFTON'S*, page 73)

Pettis named president of Godfather's

Pete Pettis
New Godfather's president

Jefferson quits after 3 months

By Don Jeffrey

ITASCA, Ill. — After less than three months as chief executive of Godfather's, Everett Jefferson has resigned and has been replaced by executive vice president Pete Pettis, according to parent Diversifoods.

Because Pettis, a 40-year-old veteran of Wendy's and Gino's, has dealt primarily with franchisees, his promotion to president and chief operating officer is seen as a strong signal that Godfather's is trying hard to mend fractured relations with dispirited franchisees.

In a similar vein, Diversifoods said it plans to move Godfather's headquarters from Costa Mesa, Calif., where it has been less than a year, back to Omaha, Neb., where Willie Theisen began the chain nine years ago.

Godfather's has been a major disappointment for Diversifoods and its shareholders. Last year its revenue went up 7.5%, to $121 million, while its operating profit fell 94%, to $978,000. At year-end there were 895 total units—237 company owned and 658 franchised.

Jefferson, a Pizza Hut veteran, became Godfather's chief executive in January, after Diversifoods' board forced the resignations of the previous chief, Charles Boppell, and the parent's top executive, Don Smith. Jefferson was unavailable for comment, and Diversifoods declined to say why he had left.

Pettis was one of many new executives Boppell hired last year to steer the chain toward becoming more of an operating company. But high costs associated with the hirings, the move to Costa Mesa and the establishment of regional offices hurt Godfather's bottom line, as did falling average unit sales

(See *GODFATHER'S*, page 83)

March sales rebound, hit 3.6% annual growth rate

WASHINGTON — Sales at the nation's eating and drinking establishments rose at an annual rate of 3.6% in March, to $10.5 billion, the Commerce Department said in its earliest and broadest gauge of retail trade.

March's rise was a rebound from a revised 2.7% annual rate in February and closed the year's first quarter at a 3.5% rate. Last year's first-quarter industry growth rate was 10%.

The figures are not adjusted for inflation, which in February pushed menu prices upward by 3.9% over the year-ago level. The figures are also not adjusted for seasonal variations.

Analysts said sales rebounded in March because unusually severe winter weather had depressed February sales.

"March was getting better as the month went on," said Ben Crabtree at Dain Bosworth in Minneapolis.

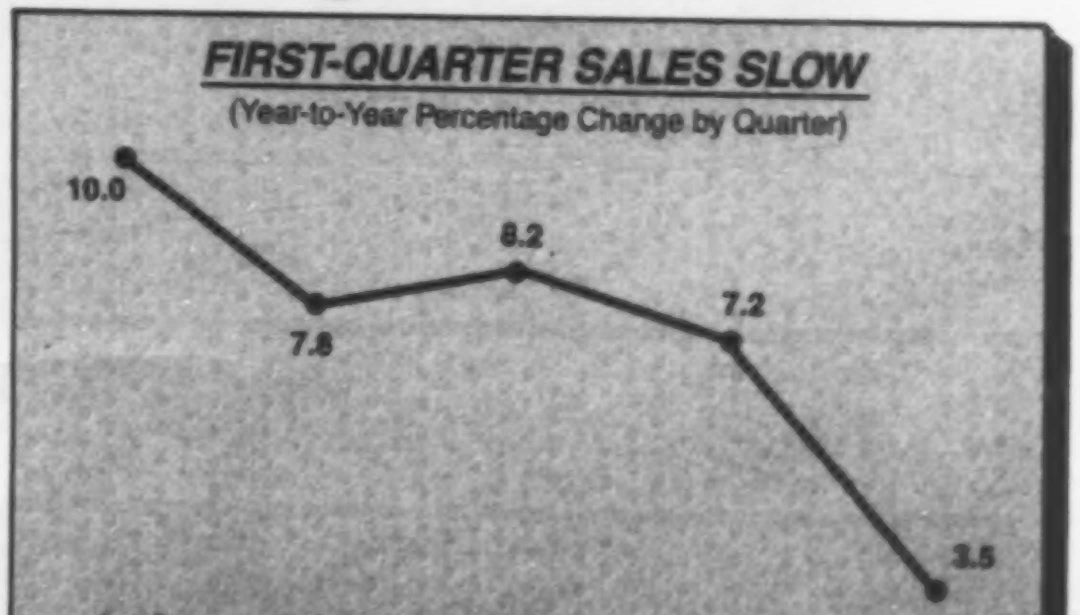
"Sales started to pick up in the last part of February when the weather broke," said Steven Rockwell at Alex. Brown & Sons in Baltimore.

But the analysts were also quick to question the statistics as subject to revision in coming months and as underestimating the strength of March's rebound.

"Usually the direction of the Commerce Department numbers is correct. But the magnitude of the direction is rarely right," said Rockwell.

"I'm still surprised by the strength in January," said Crabtree, referring to a 4.2% estimate from the Government. "Most companies didn't have a good January. You have to take these numbers with a plate full of salt."

"The 3.6% rise in March," said Andrew Smukler at Provident National Bank in Philadelphia, "is lower than I would have expected from my contacts in the industry."



FIRST-QUARTER SALES SLOW

(Year-to-Year Percentage Change by Quarter)

Source: U.S. Commerce Department, Eating and Drinking Place Sales, not seasonally adjusted.

IRS: Barron Hilton can buy father's stock

BEVERLY HILLS, Calif. — The Internal Revenue Service has tentatively ruled that Hilton Hotels chairman Barron Hilton may exercise an option to purchase 25.4% of the company's shares outstanding from the estate of his late father, Conrad Hilton.

At the time of the ruling, Hilton Hotels revealed it had raised its bank credit lines from $250 million to $600 million.

Conrad Hilton, founder of the hotel chain, had specified in his will that Barron Hilton had the option of buying the 6.8 million shares if tax provisions prevented the Conrad Hilton Foundation, a charitable group, from assuming ownership of the stock. The stipulations entitled Barron Hilton to purchase the shares at the then-prevailing price of $24.20.

Earlier, Golden Nugget Inc. offered to buy the stock for $72 a share, or $488 million. Stephen A. Wynn, chairman of Golden Nugget, said at the time that if the bid was accepted, the company would make the same cash offer for all Hilton shares.

Estate executor James E. Bates rejected Golden Nugget's bid, which he called "inadequate."

Since Conrad Hilton's death in 1979, the estate has maintained that Barron Hilton does not have the right to exercise his option to buy the stock, which should become the property of the Conrad Hilton Foundation. The state of California has agreed with the estate's contention.

The dispute has yet to be decided by a probate court. Further hearings are scheduled for this month.

The IRS ruling is subject to court approval.

Wynn indicated that the IRS ruling did not deter him and he is willing to open negotiations with the estate. He said it is obligated as a fiduciary to accept the highest offer for the stock.

Analysts expect Barron Hilton to raise his bid above the $488 million offered by Golden Nugget if courts overturn the IRS ruling.

Barron Hilton

G. D. Ritzy's brakes expansion, looks for recovery

By Howard Riell

Ritzy's is shifting its emphasis from unit expansion to stronger unit management.

COLUMBUS — Officials of the beleaguered G. D. Ritzy's Luxury Grill & Ice Cream chain said they would slow overly aggressive expansion plans and concentrate on improving unit operations.

Graydon Webb, Ritzy's founder, chairman and chief executive, said his 80-unit chain would beef up unit management and slow the pace of current franchise schedules as part of the shift in emphasis "from an administration philosophy to a service, operational orientation."

Executives said that, while there was no "hit list" of units to be closed, circumstances may necessitate closings by the end of June.

At the same time, the company will roll its packaged retail ice cream out to between 90 and 140 additional stores throughout Ohio. Ritzy's ice cream is currently sold in 65 stores in the Columbus area, in both independent and Kroger chain supermarkets. It sells for $2.19 a pint.

Webb said it took some time for other officials and himself to "smack ourselves on the back of the head and say, 'Maybe we should pay more attention to the customers.'" Among the goals set for the management thrust, he said, are eliminating waste, raising unit volumes, improving customer service and slashing operating costs from a bloated 68% last year to about 60% this year.

Webb said no company-owned stores would open until at least September. There are, however, eight franchised sites under construction and additional ones being looked at in Columbus, Cincinnati and Pittsburgh, said Thomas Santor, vice president of marketing. Ritzy's franchises 52 units. Plans still call for 30 additional franchised units by the end of fiscal 1985.

Ritzy's, which specializes in cooked-to-order burgers and premium ice cream served in an old-fashioned diner setting, was supposed to have grown to more than 135 units by now, according to past projections. Then, noted Webb, "We hit the Bermuda Triangle figure of around 100 units and saw we had to slow down, to tighten the bolts a little bit" and gear back "the almost crazy-type growth plan".

Webb said the reduced franchising pace would, "if anything, give [franchisees] comfort" by allowing them more time to prepare for openings.

Company planners, who have "not been as critical as they should have been" in site selection,will take longer looks than before, he said. Many sites chosen in the past were in "low- to middle-income, industrial areas" or "off the hub" of heavily trafficked corners. The concept is aimed at a more upscale market.

The chain lowered per-unit ice cream sales projections for this year to 24% to 29% of sales, compared with 32% last year. Prices on ice cream products were cut an average 18% last November. Ice cream sales, while not stagnant, have been near flat.

*(See **RITZY'S**, page 83)*

COMMODITIES

Canadian pork imports hurt U.S.; beef prices fall

***NRN* Special Report**

NEW YORK – The Department of Commerce's International Trade Administration made a preliminary finding recently that Canadian hog and pork imports are: (1) being subsidized to the tune of 18% of selling price and (2) that the low-cost imports are causing material injury to U.S. hog producers. Although the ruling is subject to approval by the International Trade Commission, packers are being required to place in bond $0.039 per pound for all imports between now and the final determination set for June 10.

Farmers hope the increase in price to the packers will discourage Canadian producers and cut down the influx into this country. However, two other possibilities could occur: (1) Canadian farmers may indeed find the added tariff makes marketing to this country uneconomic and may flood this country with meat as they cut back their herds, or (2) they may find the strong U.S. dollar continues to make our market look good, even with the duty. In either case, in the short term, not much will change. Some agricultural economists expect the Canadians to cut their prices to make the 18% rebate less of a deterrent for packers here. Last year Canadian imports were up 36% from 1983, to $404 million.

Beef fell to its lowest price in the past five years during late March. Lowered demand before Easter and more feedlot cattle ready for marketing brought the price down to $0.88 a pound at the Midwestern slaughterhouses. Nearly 5% more cattle are on feedlots now than there were a year ago, but placements are beginning to fall off and the price of feeder cattle is rising higher than normal for this time of year. That may presage the higher prices many agricultural economists expect by the end of summer or early fall.

Lamb demand is expected to exceed supply through the rest of this year, so expect lamb prices to climb further. Even increased imports of New Zealand lamb are not expected to hold down price rises.

Hams have been falling in price. Cured ham prices have been dropping with the increase in hog slaughter, making more "green" hams available for curing. For canned hams it has been a combination of that factor and the falling price of imported hams because of the strong U.S. dollar. Large Polish, Yugoslavian and Danish hams are at lows for the past several years, and domestic canned hams have followed suit. Supplies of all types of hams are better than they have been since 1982.

Poultry is also a bright spot for operators. Over the past year, broiler producers have steadily increased production, now running about 4% to 5% greater than in 1983. Low feed costs have been the big factor. Larger producers can operate profitably even at the lower prices broilers are now bringing as long as feed costs stay low.

Currently, however, there is an artificial shortage of grain in this country. Although bumper crops have occurred for the past two years, a major portion is either locked up in Federal storage or is being held by farmers as collateral against Government loans. Add to that a number of farmers holding wheat back from the market because they do not like the low prices (down 5% from last year's), and we have a "shortage," which could push wheat prices up by summer.

There is an actual shortage of soybean oil. In the past few years, several refining plants have been closed down, and supplies are not adequate for world demand. As a result, both exporters and local producers of margarines, frying fats, etc., are scrambling for supplies, driving up the price of both soybean oil and corn oil. The squeeze also pushed the price of cottonseed oil up at the beginning of this month.

PRICE MOVEMENT AT A GLANCE

	April 8, 1984	March 8, 1985	April 8, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.07	$0.94	$0.91
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.6106	$0.5286	$0.4847
Coffee, green beans, Brazilian, New York port (lb.)	$1.48	$1.42	$1.38
Eggs, Grade A, large white, Chicago (doz.)	$1.06	$0.60-0.62	$0.5659
Hams, domestic cured, 17-20 lb., Midwest (lb.)	$0.76	$0.68	$0.61
Hams, domestic canned, 12 lb. (lb.)	$1.51-1.55	$1.59-1.64	$1.52-1.56
Lettuce, iceberg, No. 1, Calif. (24s)	$3.00	$4.00-6.00	$3.00-6.00

Source: *NRN* research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

Nation's Restaurant News

FOCUS

Bartender Gregory Williams pours champagne at Petrossian, one of a growing number of restaurants specializing in the bubbly.

WINE, BEER & SPIRITS

SPECIAL REPORTS ON . . .

- Champagnes
- Ethnic Drinks
- Beer
- Ice Cream Specialty Drinks
- Exclusive Survey of Operators
- 'Mocktails'
- Cocktail Hours
- After-Dinner Drinks

COVER STORY

ALCOHOLIC BEVERAGES HOLD THEIR OWN

(Continued from page 1)

Independent operators, drawn from rankings of the nation's highest-volume and most highly regarded white-tablecloth establishments, proved to be the strongest performers.

About 82% of them said alcohol sales were the same as, or better than, they were a year ago. Sales-gainers beat sales-losers three-to-two, the widest margin of the survey.

The nation's biggest hotel chains, however, turned in the weakest record. While 29% of the food and beverage directors reported no change in their overall sales trends, gainers beat losers by only 35% to 33%.

Any sales slippage at hotel restaurants, moreover, can be particularly painful because hotels get 30% of their total take from alcoholic beverages, more than any other food-service segment, according to the survey.

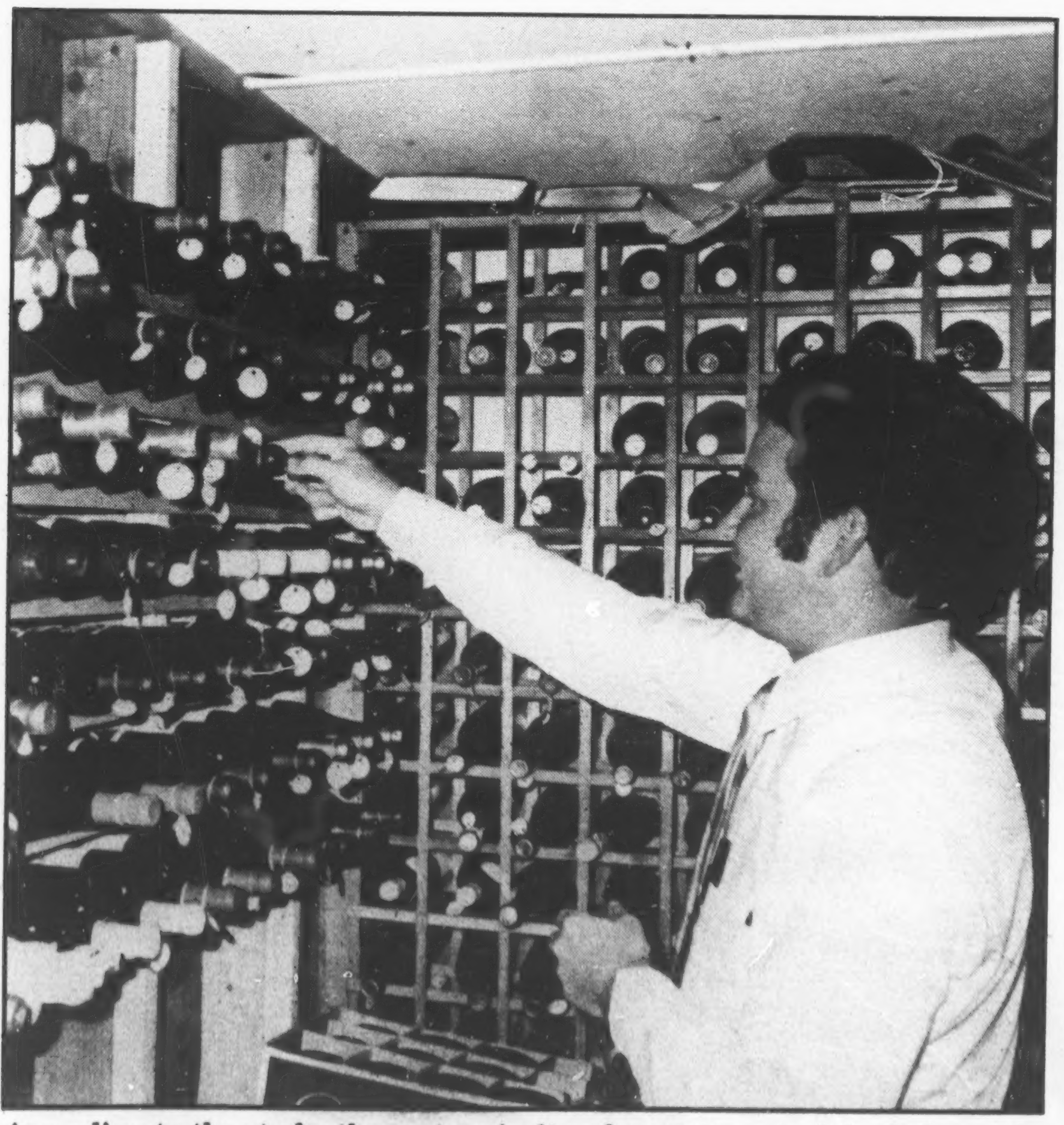
Dinnerhouse chains in the survey, which represent a food and beverage sales volume of almost $1.8 billion a year, showed that 40% of them were holding steady, 32% were up and 26% down.

Independents in the survey earn 24% of their total sales volume from wines, beers and spirits. And chain dinnerhouses get 23%.

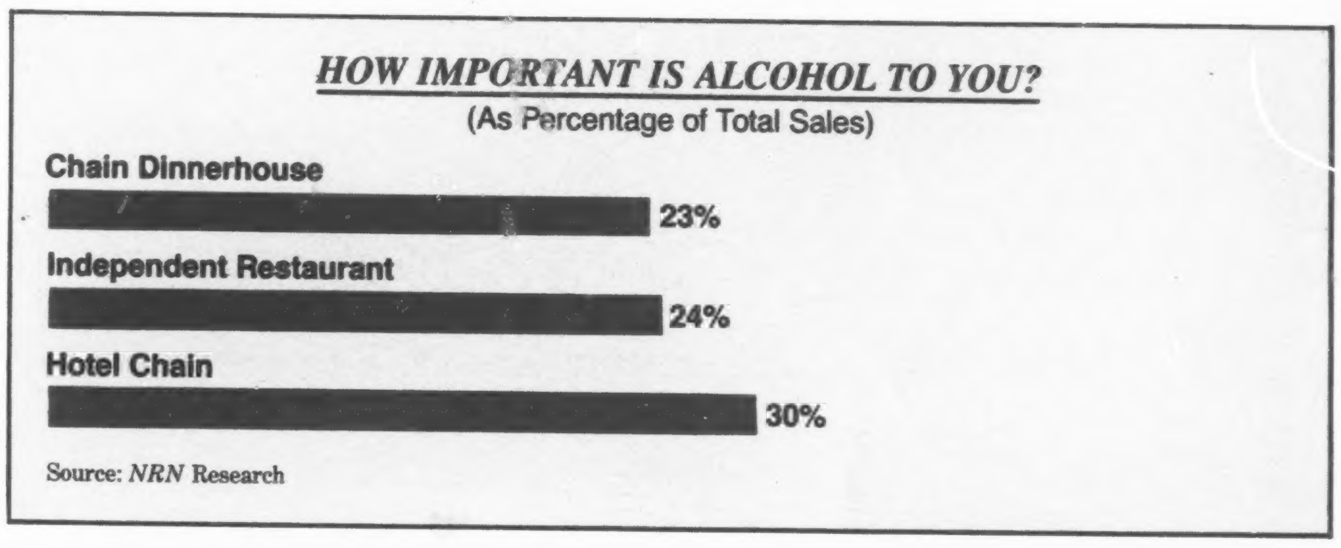
The survey was conducted by telephone in the first week of March by an affiliate of Lebhar-Friedman Inc. of New York, publisher of *Nation's Restaurant News*.

Other highlights from the poll include:

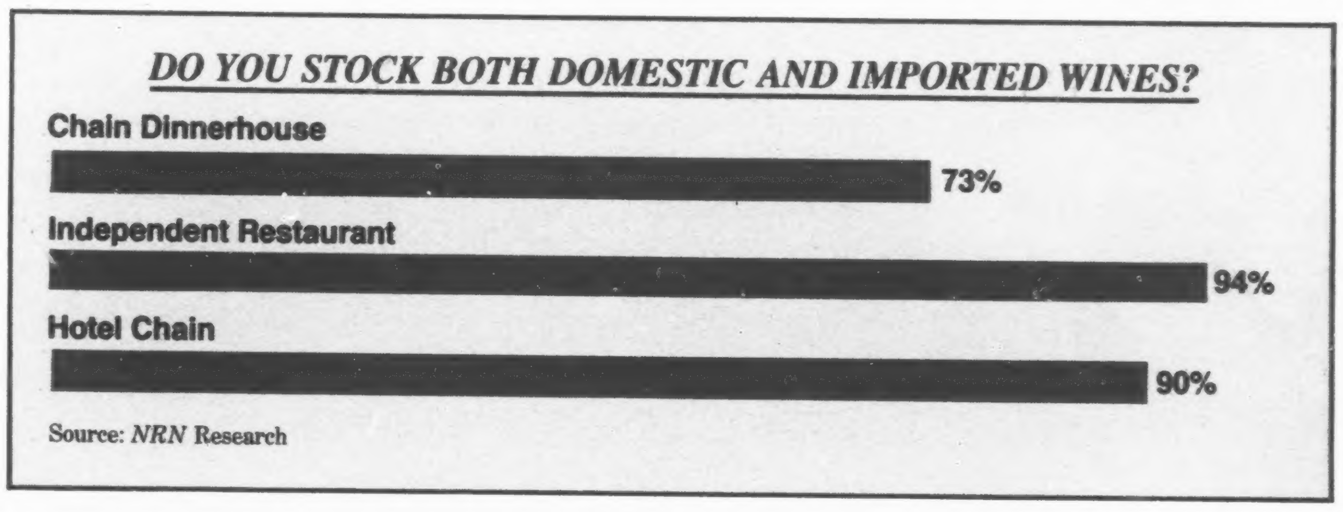
- The trend toward more consumption of vodka, rum, liqueurs and aperitifs continues. Bourbon, rye and Canadian whiskey are losing favor with drinkers, while gin, scotch and tequila are holding their own.
- About 76% of the establishments stock call brands, but only 34% promote them.
- The most brand-loyal drinkers are scotch drinkers. About 56% of the operators said scotch drinkers most often order their drink by name, while 40% said gin drinkers, 39% said vodka drinkers and 30% said rum drinkers.
- Restaurant bars are typically stocked with six brands of American beers and a dozen imported varieties. But only about 1 in 4 stocks low-alcohol beer and only 1 in 5 stocks nonalcoholic beer.
- The vast majority of operators stock both domestic and imported wines. California still holds a wide lead over New York State vintage, and France beats Germany and Italy on the imported side.
- White wines, whether U.S. or imported, continue to gain in popularity over red wines, without, however, cannibalizing red wine sales.
- Virtually all of the hotels and independents stock champagne, but only 7 out of 10 dinnerhouse chains do. But among those that have the bubbly, three-quarters offer it by the glass, and it is gaining popularity in half of them.
- Roughly two-thirds of the establishments—more in hotels—serve hors d'oeuvres or a limited menu at the bar. The most common snack is cheese, preferred five-to-three over chicken, shrimp, meatballs or pizza.



According to the study, the vast majority of operators stock both domestic and imported wines; white wine continues to gain in popularity over red.



Source: *NRN* Research



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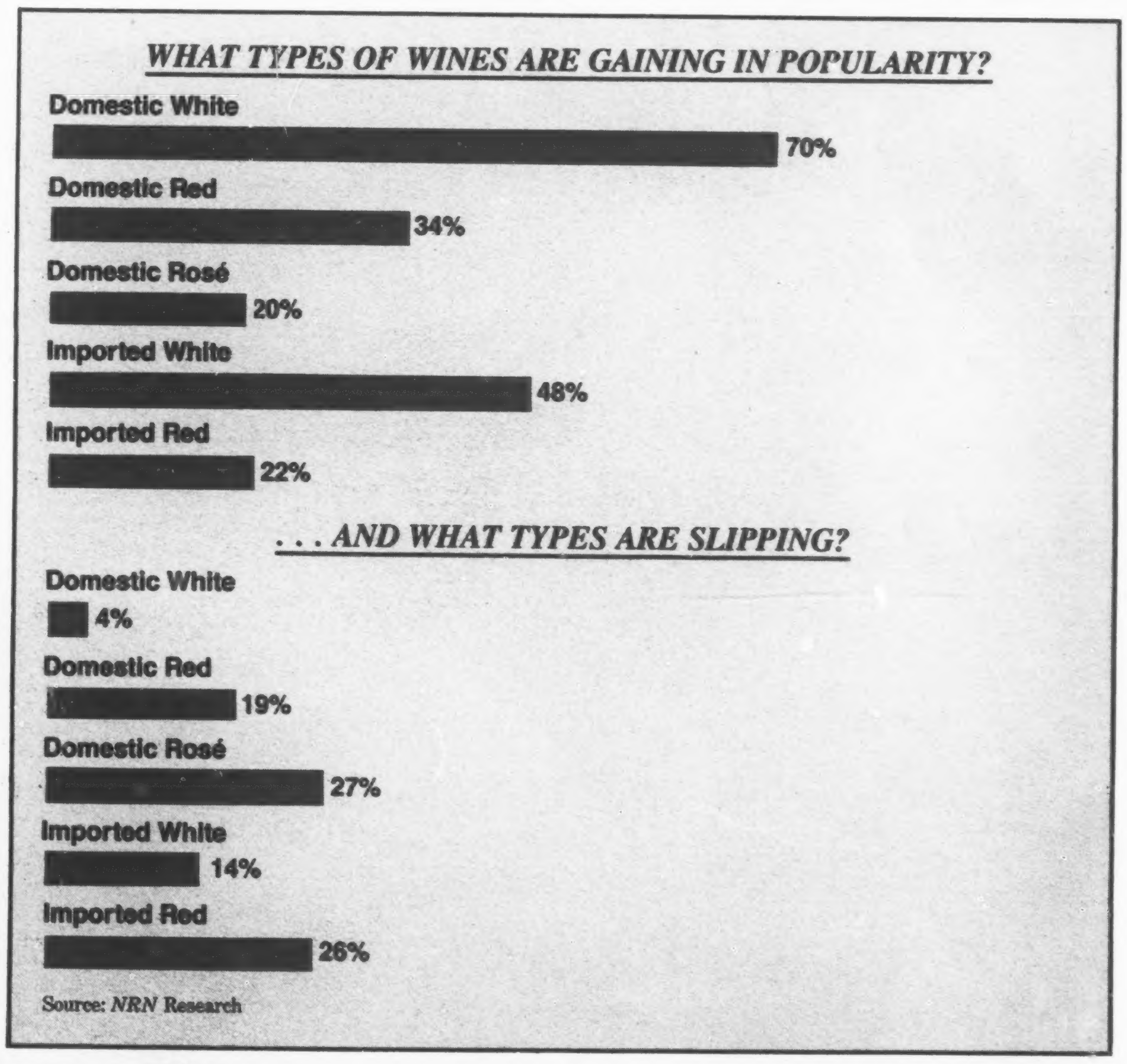

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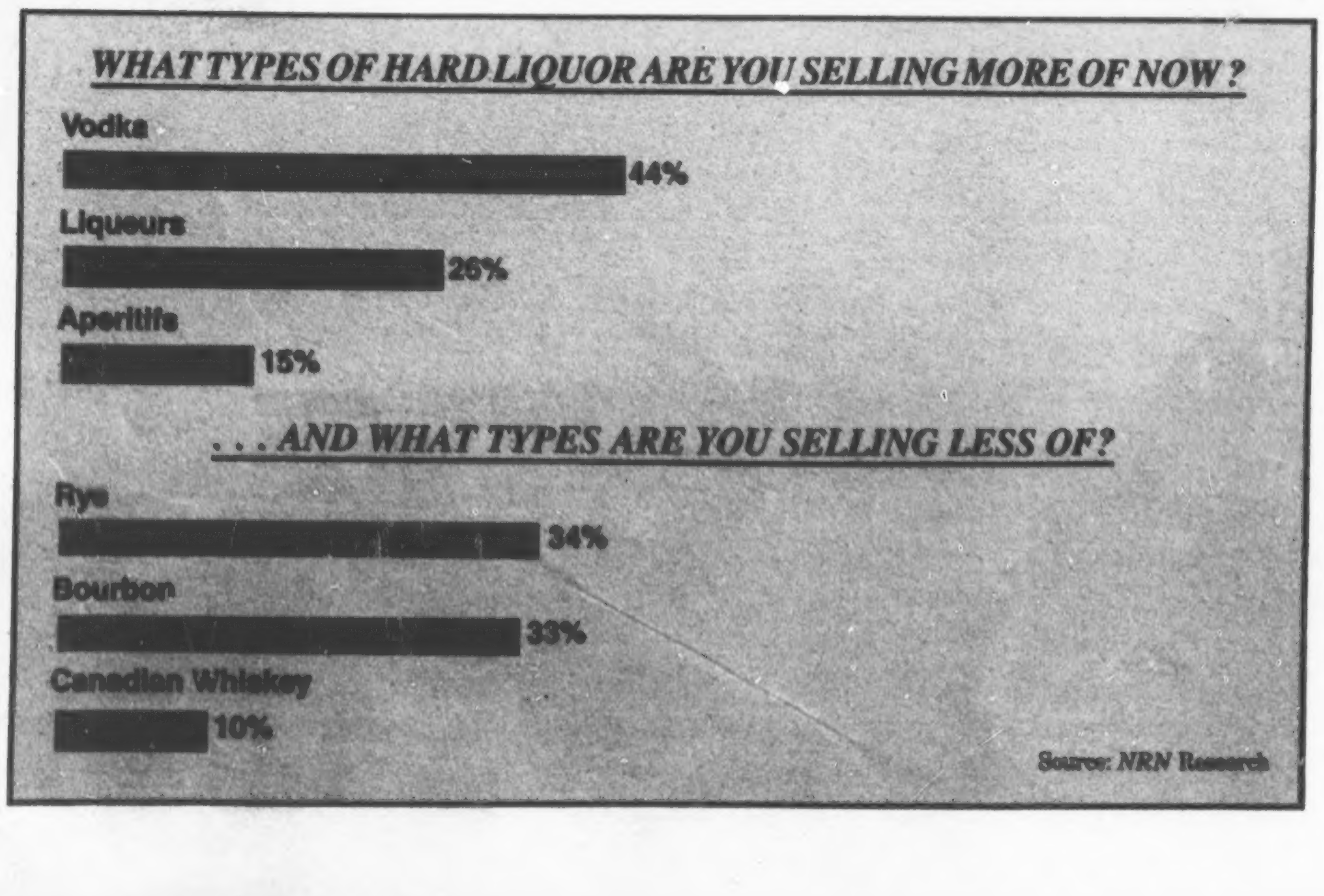


Source: *NRN* Research

Scotch drinkers found most loyal to their brands

NRN **Special Report**

Scotch drinkers, a steadfast bunch, are the most loyal to their brands. They are three-to-two more likely to order their drinks by brand name than are gin and vodka drinkers, according to a survey of operators of independent restaurants, chain dinnerhouses and chain hotels conducted by *Nation's Restaurant News*.

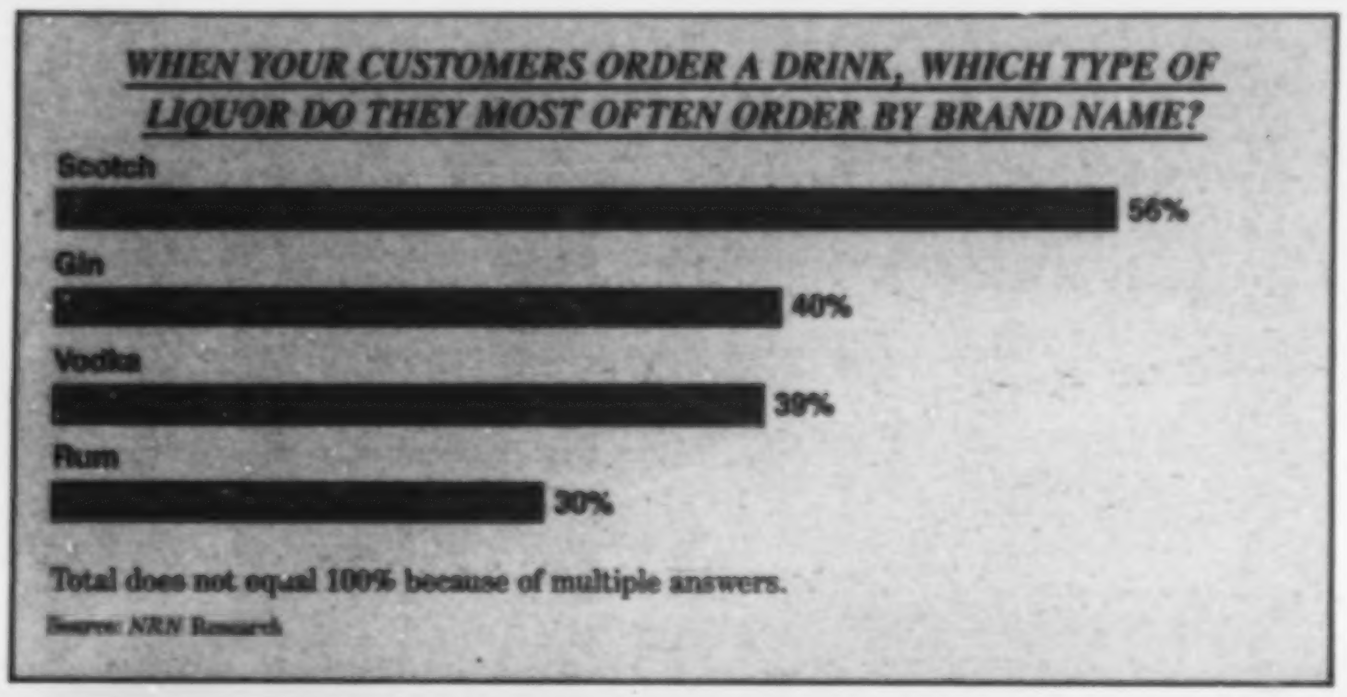
More than half the operators—56%—said scotch is ordered by brand name most often, while gin is ordered by brand name by 40%, vodka by 39% and rum by 30%.

Dewar's is far and away the best-selling scotch among survey respondents, with customers three-to-one more likely to order Dewar's over runner-up J&B. Chivas Regal is the best-selling scotch at 7% of the operations surveyed, followed by Cutty Sark (6%).

Teachers, Johnnie Walker Red, Johnnie Walker Black, Black & White and Old Smuggler each scored 2% or less of operator mentions.

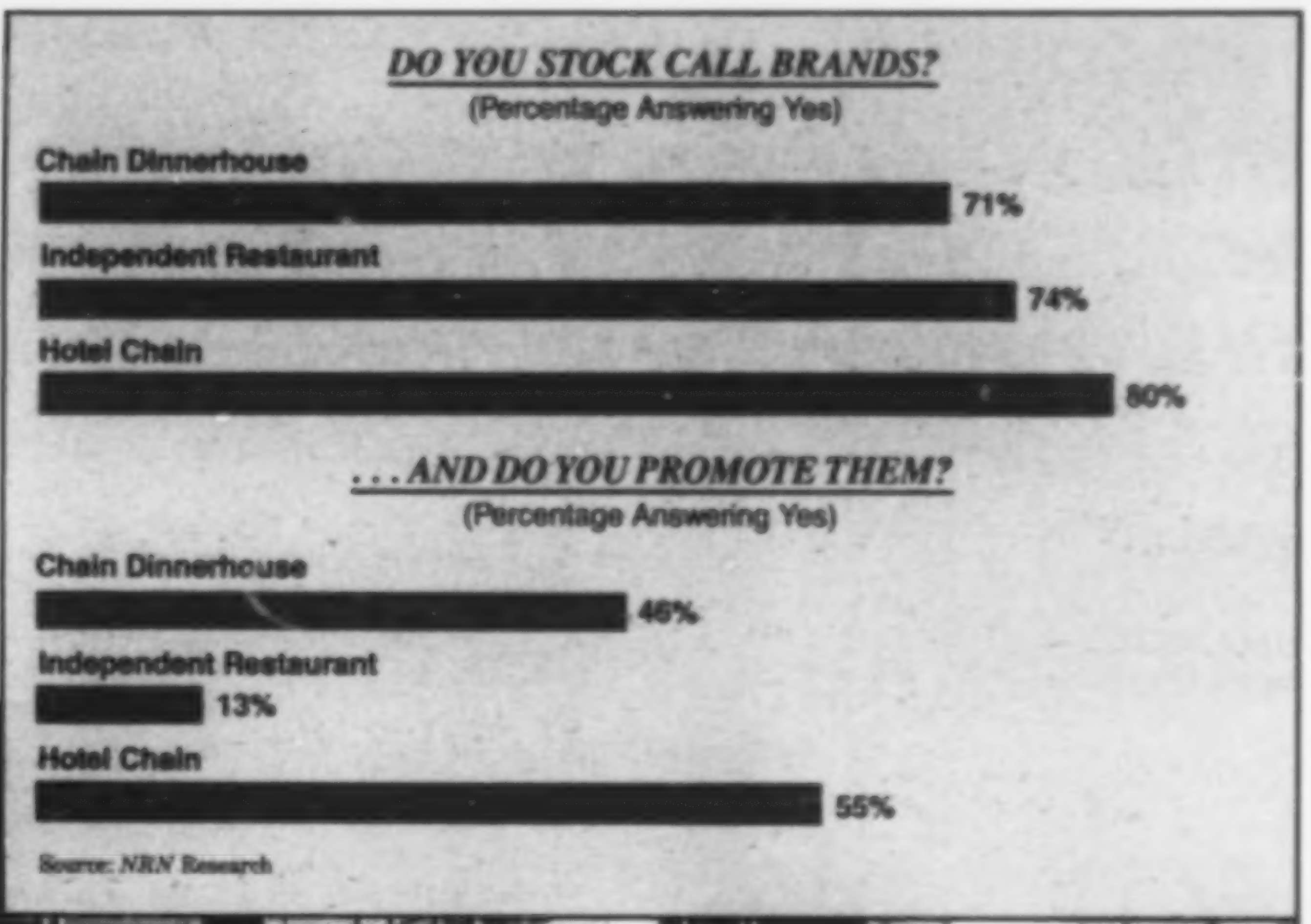
Smirnoff is by far the most-preferred vodka among vodka drinkers who order by brand name, according to those operators answering the survey, followed by Stolichnaya (14%), Absolut (8%) and Gordon's (6%). Popov, Glenmore, Kamchatka and Majorska each scored 4% or less of operator mentions.

Beefeater's is gin drinkers' favorite gin, outdistancing second-place Gordons almost four-to-one. Tanqueray scored 11%, Schenley 3% and Fleischmann's, Gilbey's and Barton's each 2% of operator mentions.



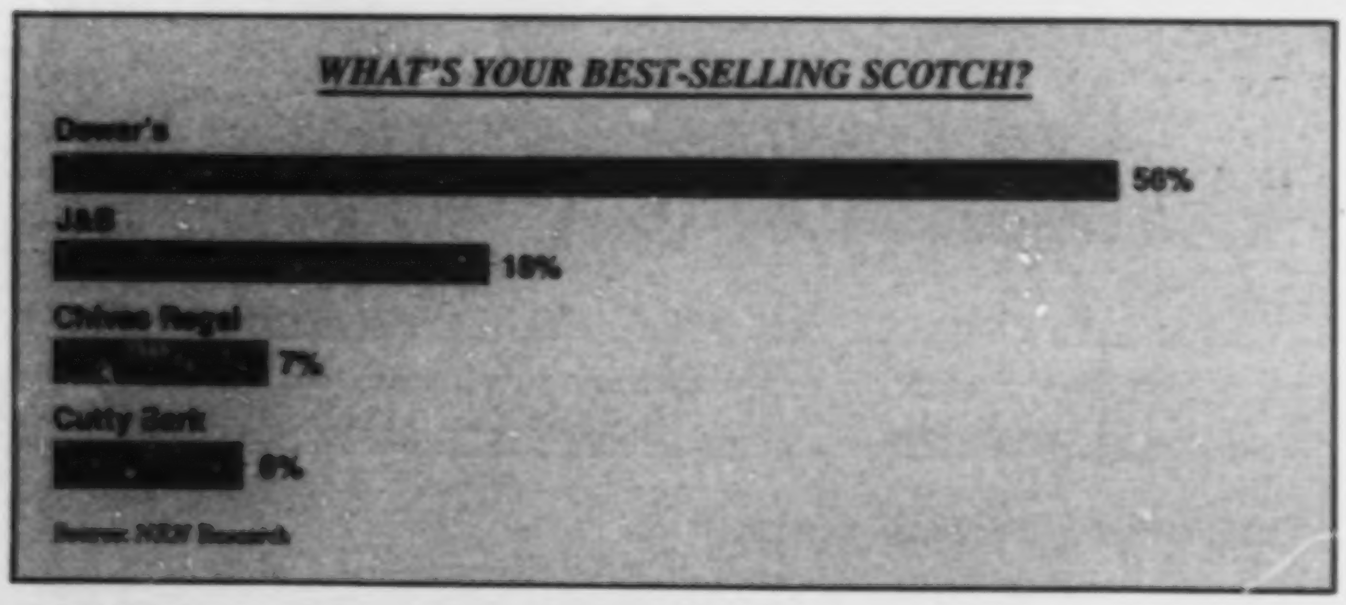
Total does not equal 100% because of multiple answers.

Source: *NRN* Research



Source: *NRN* Research

More than half the operators in *NRN*'s survey said customers ordered scotch by brand name more often than any other liquor.



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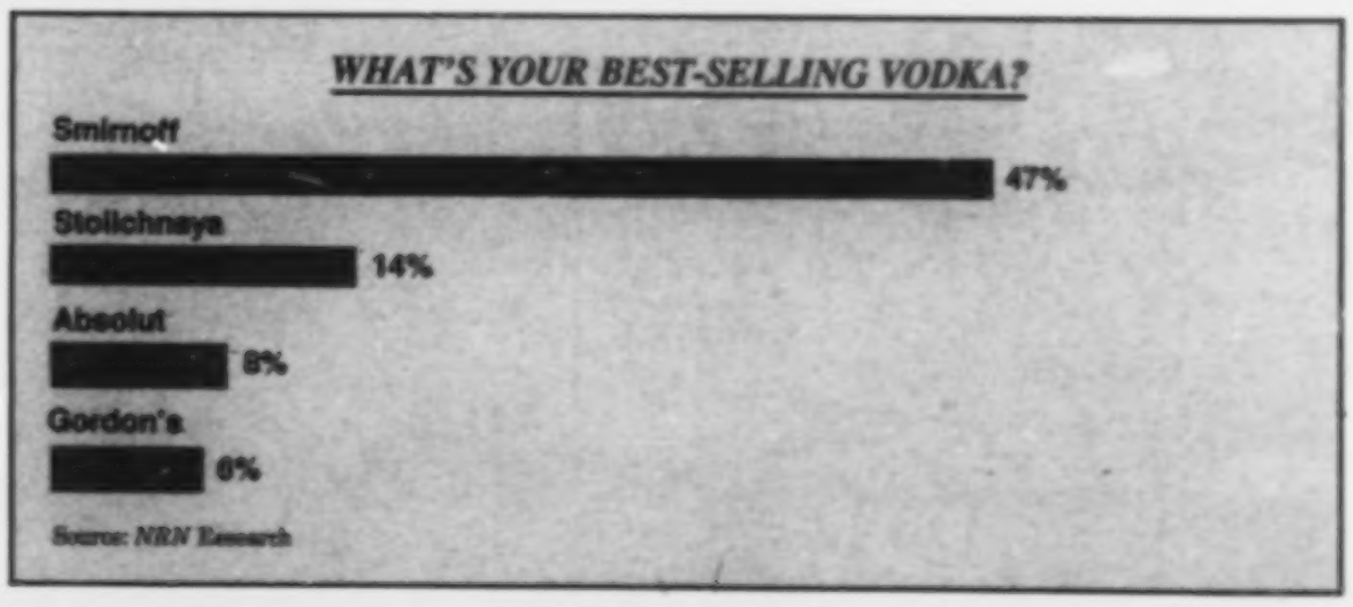

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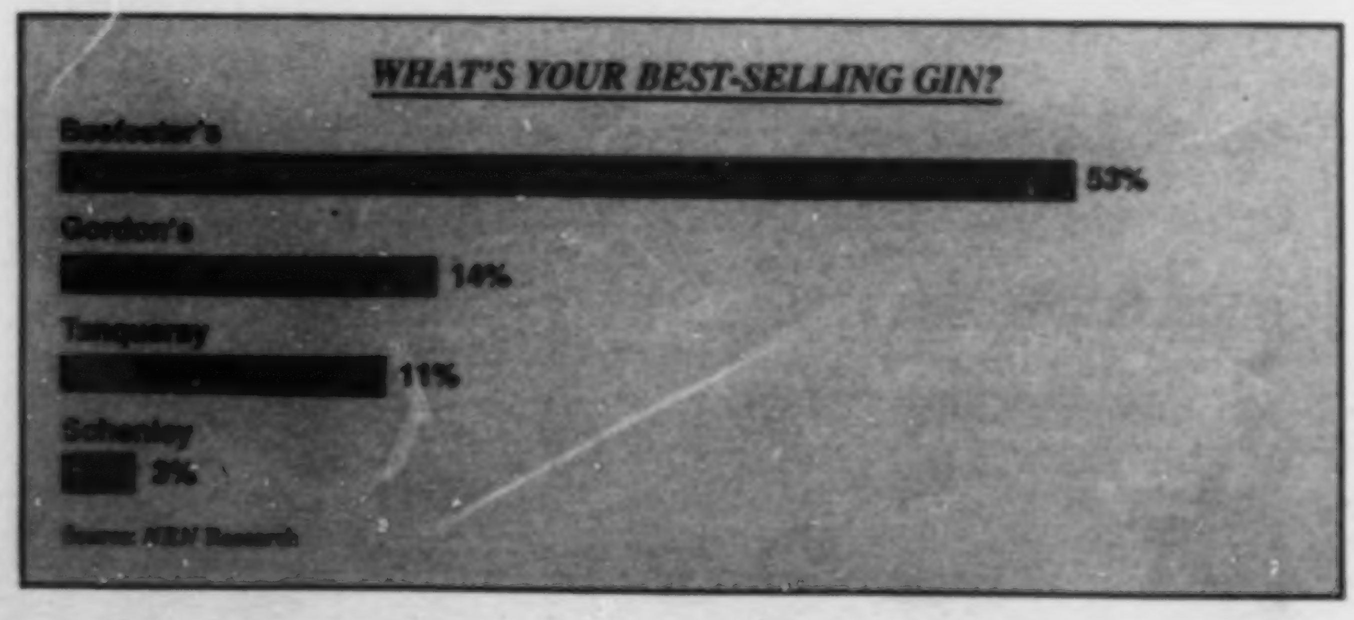

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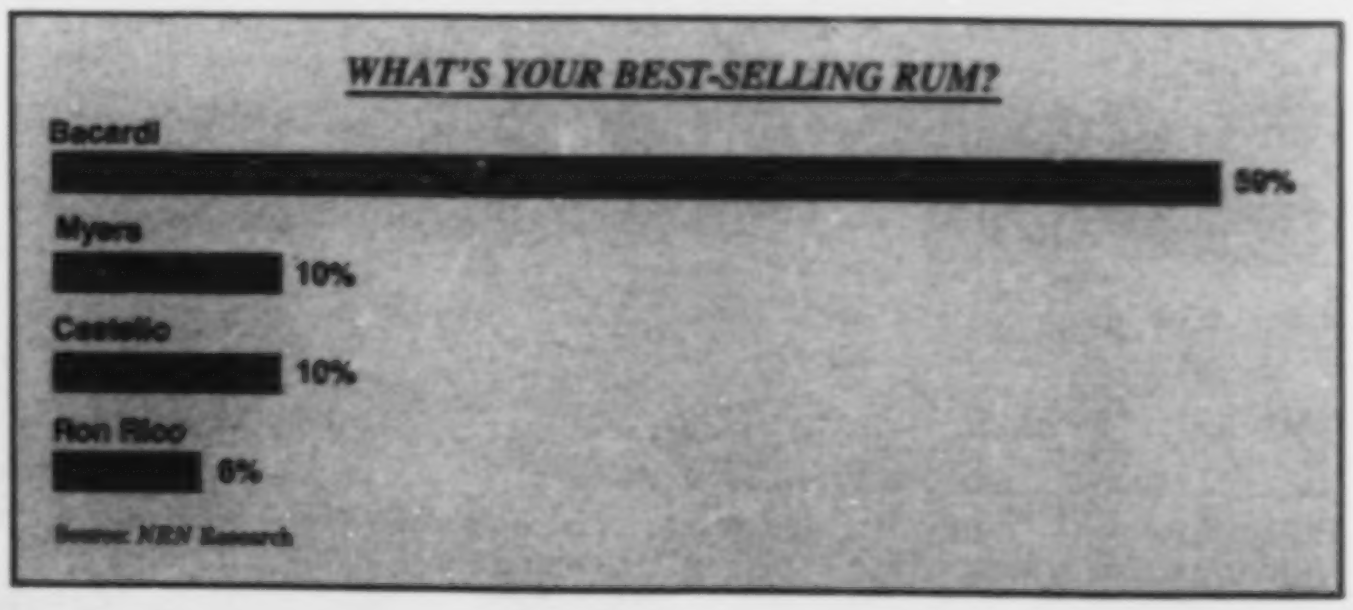


Source: *NRN* Research

Operators tap new market—beer connoisseurs

By Richard Martin

A growing number of savvy bar operators are tapping a burgeoning market by merchandising flavorful, "upscale" imported and "boutique" domestic brews that are increasingly favored by a new breed of beer connoisseur.

Demographics are shifting, and in many major markets new approaches to beer merchandising have been launched to appeal to the maturing Baby Boom generation. Meanwhile, the traditional 18-to-30-year-old beer drinking market is shrinking, along with sales of domestic beers, forcing operators to re-examine their beverage strategies.

Although overall sales trends for beer have flattened out and even dipped since per-capita consumption peaked in 1981, sales of imports—though they account for only about 3% of the United States beer market—are growing at an approximate annual rate of 10%, industry analysts report. While a changing social attitude toward drinking cuts into spirits sales, restaurateurs from coast to coast say imported beers—properly promoted—are often more than compensating for slackening hard-liquor profits.

Some pub-restaurants have expanded their customer bases with internationally themed beer tasting "clubs," while others have resorted to exalted service techniques—including the use of ice buckets and other service-temperature specifications—to glorify their pricier imported brew selections and attract yuppie beer aficionados.

Windows of Hawaii, a white-tablecloth dinnerhouse in Honolulu, uses tableside ice buckets for serving 25-oz. bottled imports from its list of 40 beers from 16 countries. Carlos 'n Charlie's, the upscale Mexican-Continental restaurant on Sunset Strip in West Hollywood, keeps patrons' 12-oz. brews cold in tabletop ice pails.

Other establishments are mating certain exotic kinds of beer with compatible food items, attempting to endow their beer lists with an aura like that surrounding their fine wine selections.

Though they must wrestle with tricky inventory logistics, some operators are building their beer business on the strengths of encyclopedic beer lists comprising hundreds of labels. Irwin Held, proprietor of Barney's Beanery in West Hollywood, is adding to its 250-label beer list to satisfy customers who equate rare imports with status and prestige. "More and more people believe they're beer connoisseurs, so we give them what they want," says Held.

Other restaurants, like O'Shaughnessy's in downtown Los Angeles, are charging admission to promotional tasting seminars, where their beer-drinking clientele is polled to help endorse additions to their beer lists.

At Cutters restaurant in Santa Monica, Calif., three of the five draft beers and half of the 16 bottled selections are imports, while the rest are European-type beers and ales from small domestic breweries. Cutters' menu touts the credentials of its beer consultant and further tells customers why its respective beers are served either at an optimal 45°F "chill" or a 55°F "cellar" temperature.

While tallying first-year sales of nearly $4 million—35% in bar sales—Cutters' general manager Mike Vucurevich has seen a "dramatic" shift away from spirits to beer and wine, with beer sales growing two points in a year to 17% of bar sales, while spirits have declined from 53% to only 47%.

Leon Siwek, owner of the Mustard Seed pub-restaurant in Elmsford, N.Y., has seen a similar downward trend in hard liquor sales and more than an 8% increase in beer sales over last year's figure. Siwek was prepared for the shift in drinking habits. Three years ago, sensing a trend developing, he reduced his selection of wines from several dozen to just a few, and he began building his beer menu—which today offers 79 "super-premium" foreign and domestic brews and 15 more chalkboard specials—to complement such specialties as caviar-topped burgers and omelets.

'Overall sales trends for beer have flattened out and even dipped since consumption peaked in 1981.'

Half of the Mustard Seed's prodigious sales volume is in bar items, two-thirds of which are beer. Siwek's best beer customers are the foreign businessmen drawn from a nearby multinational corporate park. "We're selling a piece of nostalgia," he says.

Rick Rising-Moore and his three partners at McDuff Management Co. have expanded the imported beer menus of their six pizza-pubs in Indianapolis from 10 to 60 labels in the last six years. Their clientele has expanded as well, partly from the "passport club" enticement at their two Union Jack clubs, where patrons who have had their cards punched for all 60 beers are immortalized on a plaque in the bar. The club concept and the broad imported beer variety have "given us our little market niche," says McDuff partner Scott Barnes.

In many cosmopolitan urban markets, upscale beers are reportedly offering customers a new avenue through which they can show off their good taste.

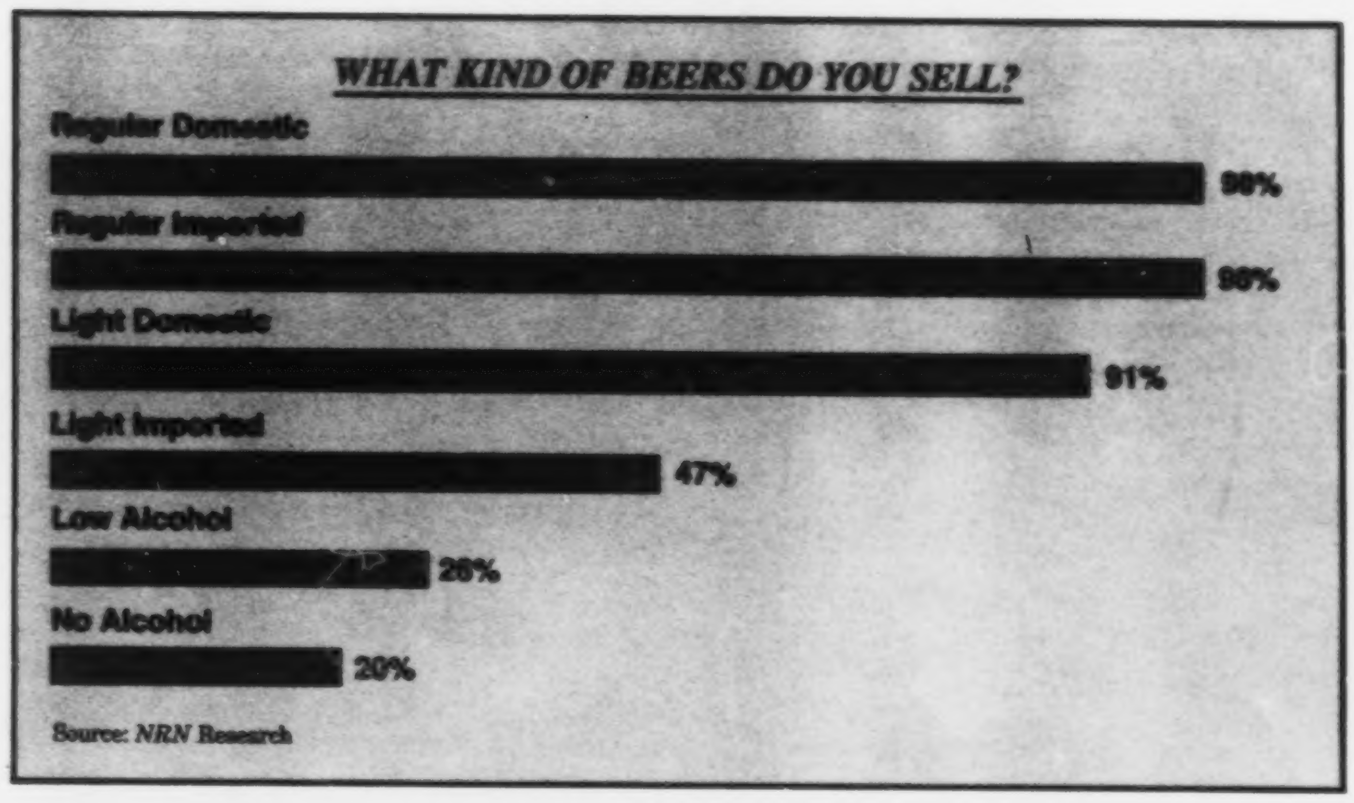
"What's happening to imported beer is the same thing that happened to wine 10 years ago," says Mike Badalian, who is launching a line of 10 all-natural Belgian beers in his high-grossing Beverly Hills, Calif., restaurant, Bistango.

"People used to talk wine; now they talk beer," explains Badalian, while tasting one of his new brews, which Trappist monks in Belgium make from 1,000-year-old recipes, including one that turns the beer red from curing for nearly a year with red cherries. The different beers—depending on the particular label—lend themselves to pairing with either fish or meat or even dessert, says Badalian, who is planning food-menu tie-ins.

John Yamin, the Saga Corp. contract manager of O'Shaughnessy's Downtown in Los Angeles, has charged $7.50 for admission to a popular series of weekly international beer tastings and seminars that are helping both to advertise the restaurant and to counter a "rapid decline" in hard liquor sales.

Exposure of O'Shaughnessy's to beer fans during the initial two months of tastings has already been reflected in the growth in sales of one well-known German premium label from one case a week to nearly four cases.

"In developing an imported beer list, "You have to start off slowly, with maybe one or two beers," Yamin says. "If you see sales increase, as we did, you add others." Sudden implementation of an expansive beer inventory may not yield the desired effect and can overburden an unwary restaurateur. "Too many who've jumped in find there's no water in the pool," Yamin cautioned.

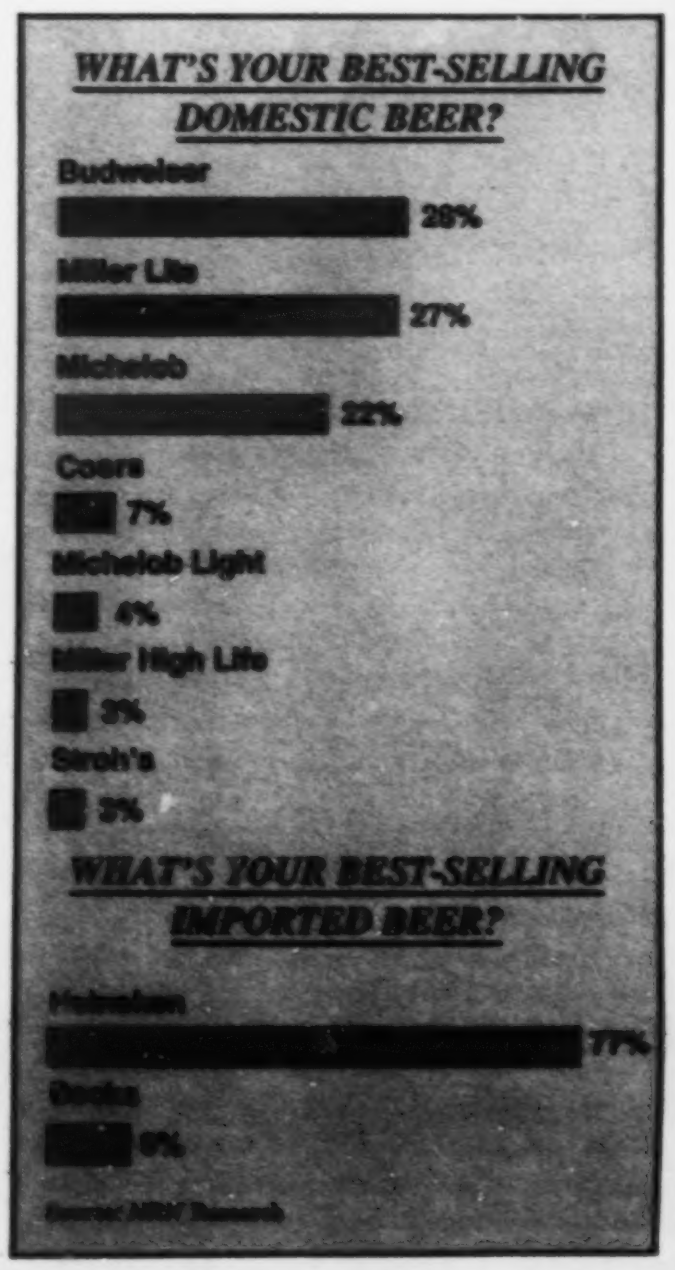


Source: *NRN* Research

HOW MANY BRANDS OF BEER DO YOU SELL?

	Chain Dinnerhouse	Independent Restaurant	Hotel Chain
Domestic	5	6	7
Imported	7	12	14
Total	12	18	21

Source: *NRN* Research



Source: *NRN* Research

NRN *survey names top-selling beers*

Budweiser and Miller Lite are the top-selling domestic beers, and Heineken is the top-selling imported beer at 131 independent restaurants, chain dinnerhouses and chain hotels surveyed by *Nation's Restaurant News.*

Asked to name their best-selling domestic beer, 28% of the operators said it is Budweiser, and 27% said Miller Lite. They were followed by Michelob (22%), Coors (7%), Michelob Light (4%), Miller High Life (3%) and Stroh's (3%).

Asked to name their best-selling imported beer, 77% said Heineken. The No. 2 imported beer, according to operators contacted by *NRN* is Becks, trailing far behind Heineken with 9%. St. Pauli Girl, Molson, Moosehead, Kronenborg and Dos Equis all scored 2% of operator mentions.

Nearly all in the survey sell both domestic and imported beers, and 91% sell light domestic beer. But less than half (47%) carry light imported beer, and only 26% sell low-alcohol beer. One-fifth of the respondents said they serve nonalcoholic beer.

Chain hotel operators said they stock 21 brands of beer—14 imports and seven domestics on the average. Independent restaurants on the average stock a dozen imports and six domestics, and chain dinnerhouses stock five domestic and seven imports.

While Budweiser was named as the overall best-selling domestic beer, it ranks No. 1 only in the Northeast and West, according to the *NRN* survey.

By the bottle and the glass, champagne's popularity grows

By Paul Frumkin

The popularization of champagne is under way. Once largely limited to elegant occasions and infrequent celebrations, that premium sparkling wine is today being offered in a variety of forms that is making it accessible—and affordable—to more diners than ever before.

Many restaurateurs are discovering that stepped-up merchandising efforts, such as offering champagne by the glass or in cocktails, are boosting sales beyond their expectations. Still others are creating an entirely new type of fine-dining concept by featuring little else than champagne, caviar and a few well-chosen entrées.

A new alcoholic beverage study conducted for *Nation's Restaurant News* shows 92% of all restaurateurs polled offer foreign or domestic champagne and 48% of those say they have seen an increase in champagne consumption over last year's.

And while sales of all domestic and European champagnes and sparkling wines are on the rise, shipments of French champagne to this country have shown dramatic growth—aided, no doubt, by the strength of the dollar against the French franc. French champagne shipments to the U.S. in 1983 totaled 808,000 cases, compared with 590,000 cases in 1982. And for the first seven months of 1984, shipments jumped another 52% over those in the same period in 1983.

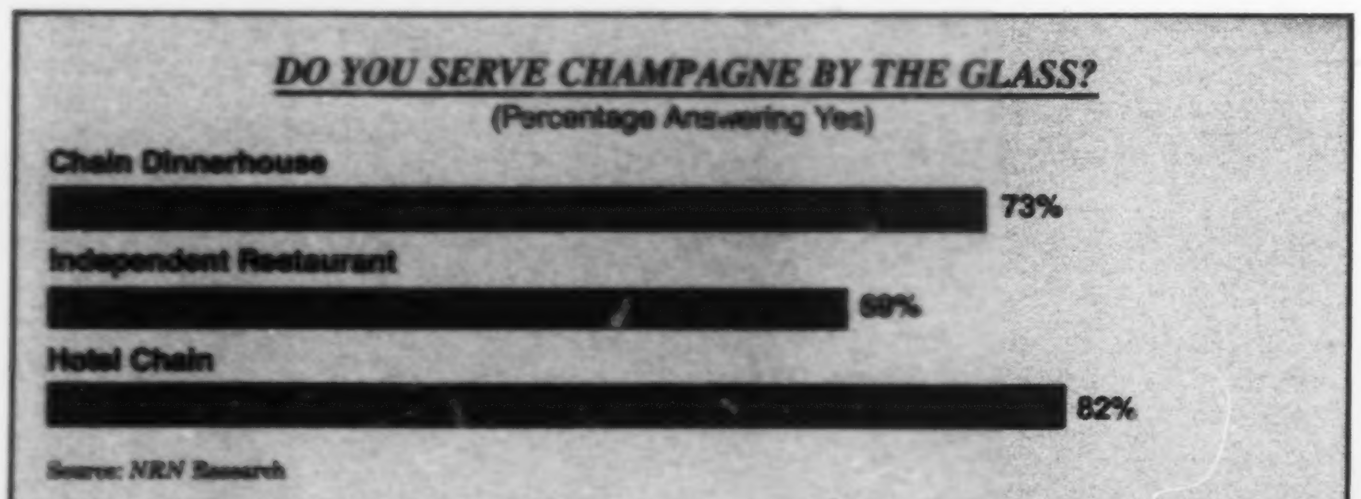
One reason for that increase can at least in part be attributed to the high number of operators—75%, according to the *NRN* study—who are now featuring champagne by the glass. Lisa Morgan, general manager of the 166-seat Golden Mushroom in Southfield, Mich., says her restaurant began offering champagne by the glass last January and sales have been surprisingly good.

"We decided to offer 15 wines by the glass to bring our beverage program more in tune with our menu," Morgan explains. "We added one champagne by the glass as an experiment, and sales have been much better than we anticipated."

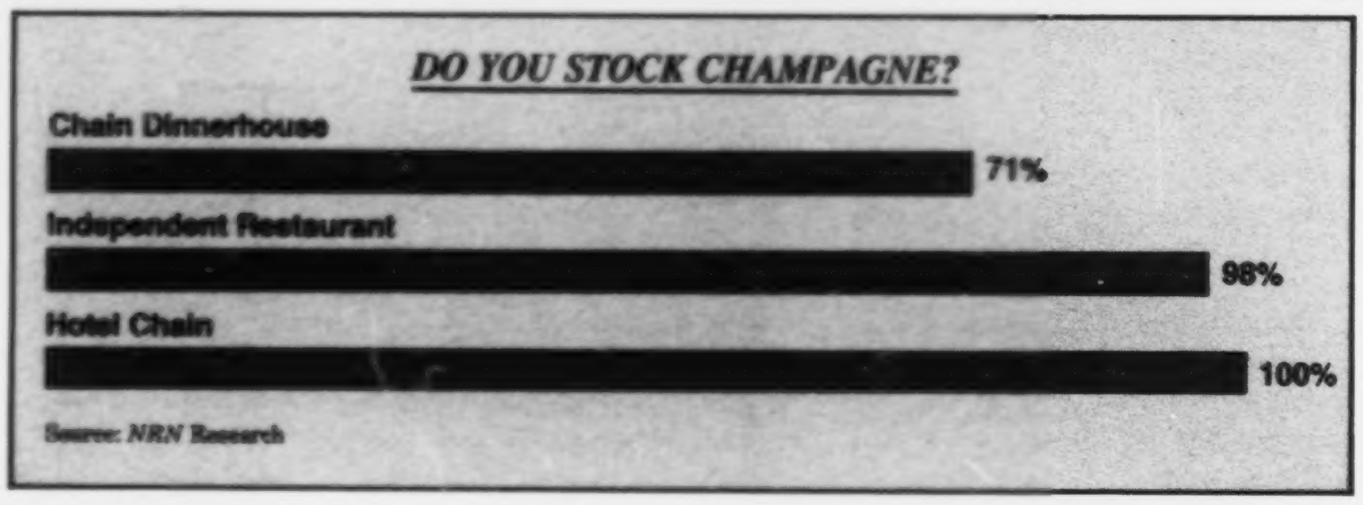
The Golden Mushroom, which has a $35-per-person check average, is selling a French champagne for $3.50 a glass and is going through about four cases each week. Twelve different champagnes are also offered by the bottle, which accounts for another 2½ cases sold weekly. Bottle prices range from a low of $15 for a domestic to $110 for a French.

Nipper's
Nippers

Nipper's co-owners Horatio Lonsdale-Hands, left, and Arthur von Wiesenberger have tapped into the growing champagne-only market in Los Angeles.



Hotel chains, already more likely to stock champagnes and selling more than they did a year ago, are also most likely to sell them by the glass. Though more independent restaurants than chain dinnerhouses stock champagne, they are less likely to serve bubbly by the glass.



Morgan says that because of such positive customer response, she plans to add a champagne in a half-bottle size. She also may include one other champagne to augment the by-the-glass sales.

She does not believe increased champagne consumption is a fad. "I think that it is something that people always wanted," Morgan notes. "It was just never made that available before."

Aldo Rinero, owner of Le Monègasque in Palm Beach, Fla., sells no liquor at his 80-seat French restaurant. Instead, he offsets the lost beverage sales by aggressively merchandising wines and champagnes. Rinero estimates he sells 13 cases of champagne each week—12 of which are used solely in the preparation of the restaurant's signature champagne cocktail, Kir Monègasque.

Essentially the same drink as a Kir Royale—currently one of the most popular champagne cocktails in this country—a Kir Monègasque is made by flavoring champagne with syrup of cassis. Rinero says he gets approximately three 12-oz. drinks from each bottle of champagne and sells them for $4 each.

Additionally, Le Monègasque offers 11 French and domestic champagnes by the bottle, ranging in price from $32 to $105. Markup is anywhere from 2½ to 3 times cost, keeping champagne prices in line with the restaurant's $30 check average.

Petrossian, one of New York City's newest—and perhaps most specialized—restaurants, offers a limited menu designed around such pricey foods as smoked salmon, foie gras, truffles and, in particular, caviar and champagne. Co-owner Christian Petrossian, who also oversees his family's Paris-based caviar import business, points out that "there are only two drinks that are good with caviar—vodka and champagne."

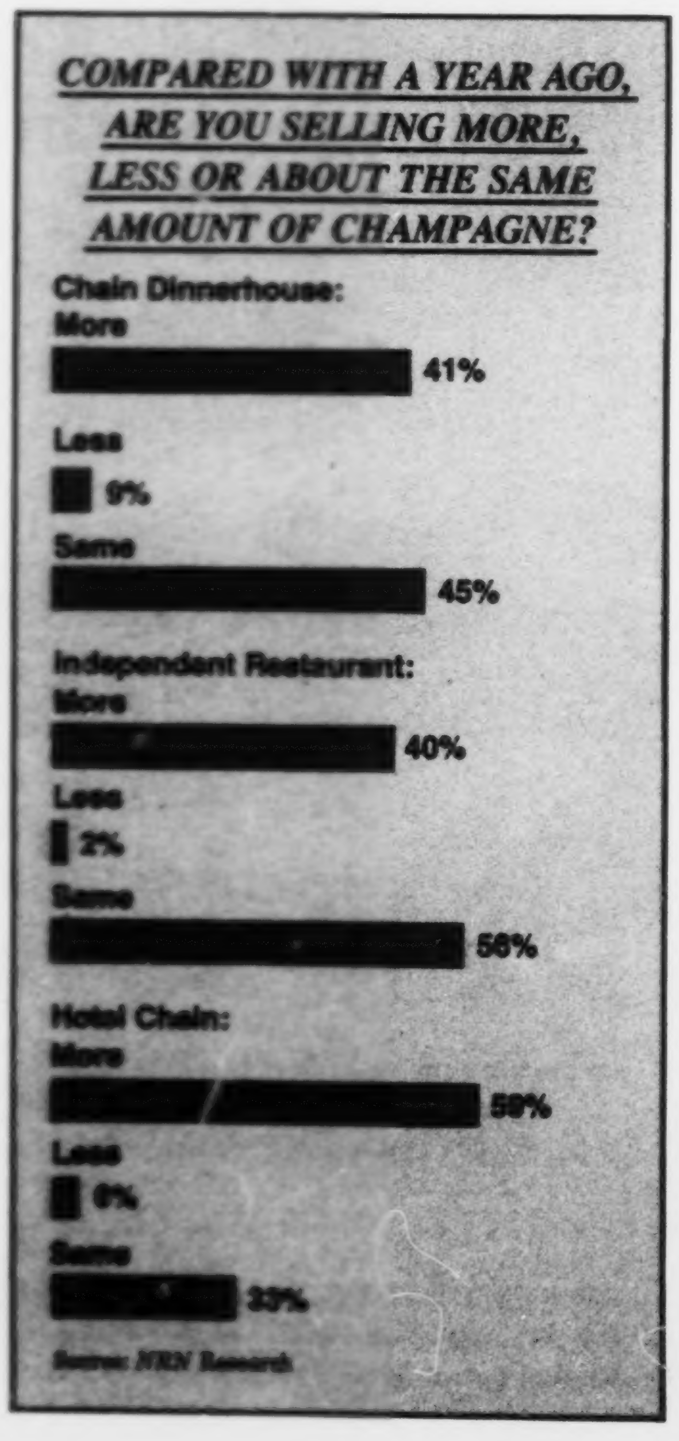
Champagne enhances the flavor as well as the idea of the thing," he says. "It is a good marriage on the palate."

The 60-seat restaurant, which also houses a retail caviar shop, is currently offering two champagnes by the glass for $6 and $9. Additionally, 24 bottled champagnes are featured under four pricing categories: $35, $50, $60 and $90. Bottle markup is two times cost.

Petrossian estimates the restaurant sells about 450 bottles of champagne each week and expects to move 2,500 cases by the end of 1985. While customers are coming into the restaurant to order from its elegant full-service and degustation menus, many simply choose some caviar and champagne, he says. The check average for the seemingly high-priced restaurant is well within reasonable limits—$35 per person.

Petrossian expects the concept will soon catch on in this country. (In fact, Nippers, a Los Angeles-based operation, already has two restaurants that showcase champagne.)

"You don't need to have just a birthday to have champagne," he notes. "You cannot hold it for a whole year. It is a way of living."



Cocktail hours thrive despite drunken-driving crackdowns

By Howard Riell

Even with DWI awareness and the emergence of the mocktail capturing greater industry attention than ever before, sales during the cocktail hour—enclave for after-hours executives—appear unfazed, according to bartenders and operators. As one counterman said of his cocktail crowd, "Just give 'em booze; they'll come back."

A *Nation's Restaurant News* survey showed operators are serving more vodka, rum, liqueurs, cordials and aperitifs than they did a year ago. During the traditional cocktail hour (5 p.m. to roughly 8 p.m.), however, scotch—sales of which have stayed flat overall, according to the survey—heads the list. Nowhere in evidence are the low and nonalcoholic drinks whose sales are climbing during other dayparts.

"I don't think they've made any impact on the market," said Thomas Lockhart, training director for Nashville-based themer Spats International, referring to low-alcohol, low-calorie drinks. "I think that's by and large a bunch of, well, I won't say it. People throw away all thoughts about counting calories" during cocktail hours, he said. "Liquor has not changed one iota."

Sales after 5 p.m., said Lockhart, are good, with liquor accounting overall for about 40% of Spats' sales. Scotch leads, he said, with margaritas, priced at $2.75, Long Island Teas (served in quart jars) at $4.95 and Depth Charges —shots of tequila with a beer chaser, for $4.05—trailing close behind.

John Vigliotti, chef-manager of New York's Press Box, said scotch and vodka were his most popular cocktail-hour liquors, although liquor sales have dropped about 10% lately. The restaurant serves no nonalcoholic drinks, he said, because, simply, "there is no demand for it."

Greg Johnson, manager at one of Kansas City-based Houlihan's 50 restaurants, said hard liquor, in his case vodka, is what his cocktail hour crowd wants. His restaurant served no low or nonalcoholic drinks at all, he said. Scotch, gin and rum, he said, remain big sellers.

At New York's T. J. Tucker's, vodka and white wines are the two most-asked-for cocktail hour beverages, according to Jim Torello, its manager of two and a half years. The restaurant/bar draws its late-afternoon crowd from Wall Street and from Manhattanites who work out at nearby health clubs, such as the Vertical Club. Serving "general pub fare," like nachos, guacamole and fish, chicken and pasta specials, Tucker's sells more wine as temperatures climb, said Torello. Gin and tonic, vodka with soda or tonic and scotch are also popular. Again, low-alcohol drinks are "almost nil," according to bartender Jimmy Connelly, although he will "rarely" get a request for soda water or Perrier.

A crowd packs the bar during happy hour at a Houlihan's unit. Despite the drunken-driving problem , hard liquors are still big sellers.

Don Slater, chief concept manager for 170-unit, Dallas-based Bennigan's, said his chain, "like the rest of the industry, [has] experienced soft alcohol sales over the last three years because of the trend of moderation. But cocktail hours are still extremely popular."

A chain spokesman noted a trend away from dark liquors to white ones like gin and rums. Wine spritzers and coolers and other lower-proof drinks are what the cocktail crowd ask for, she said. The chain offers an "enormous" amount of appetizers, the spokesman said, yet "doesn't depend on complimentary food to attract customers." Operating in 33 states, it is projecting annual unit volumes of $2.2 million for 1985, based on the year's first three quarters.

Owners would rather sell liqueurs than turn tables

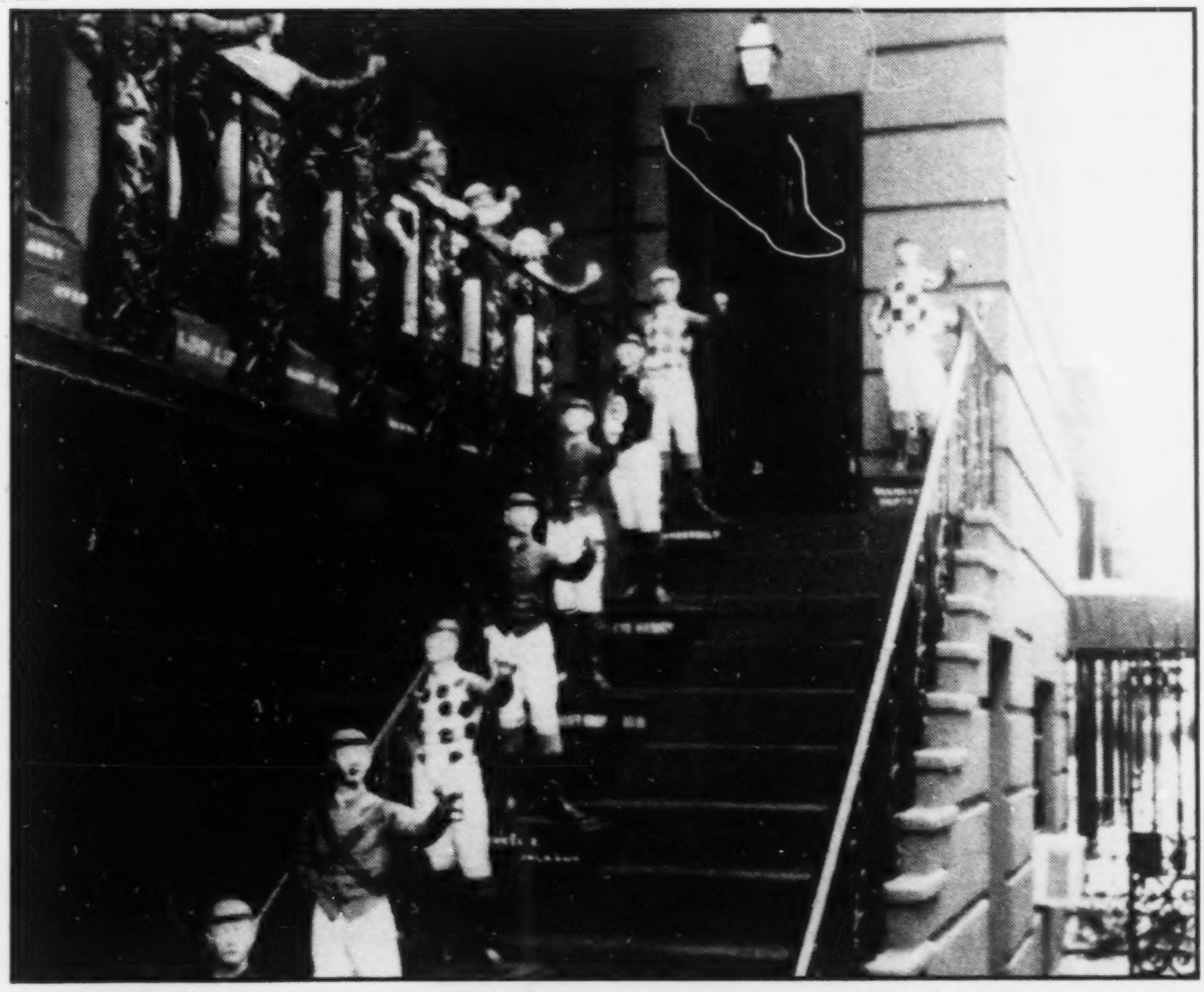
Operators of fine-dining restaurants said they're committed to featuring after-dinner liqueurs—so much so that they would rather keep customers sitting longer, drinking them, than turn the table.

At the same time, however, none of those questioned said they do more to merchandise the drinks than simply having their waiters ask customers if they'd like one.

"The philosophy is as follows," said Don Dianda, owner of San Francisco's Doros restaurant. "When you come into my restaurant, you understand you're going to be here all night. We never worry about turning tables."

After-dinner drinks at the 140-seat restaurant, with its Italian-influenced menu, "bounced back [after] being lost for some time," Dianda said. Cognacs are the best sellers, with "some ports" and champagne following close behind. Overall, roughly 25% of Doros' $3 million annual sales is liquor, with after-dinner liqueurs accounting for 10% to 12% of total bar sales. Though once popular, cream drinks have not been selling of late, he said.

At Jimmy's Place in Chicago, sales of after-dinner liqueurs have been "not too terrific for the last couple of years," said owner Jimmy Rohr. "We don't have a great deal of after-dinner drinks," he explained but added, "We always ask. We do no table turns during the week. We would like to sell more after-dinner drinks." Although the 80-seat restaurant gets 28% of an annual $800,000 in sales from alcohol, liqueurs after dinner account for only about 5% of that, Rohr said. Although Jimmy's features no cream drinks because Rohr "wouldn't like the bottle sitting around for two weeks," bartenders, when asked, will prepare them individually with fresh cream.


At the landmark "21" Club in Manhattan, president Sheldon Tannen says he's not interested in turning tables, but in giving customers a complete meal—including liqueurs.

At Manhattan's landmark "21" Club, longtime president Sheldon Tannen said, "We want someone to have a complete meal. Our customers come here to spend an evening. We're not looking to turn a table. We want them to take their time and eat slowly."

With tables turning about one and a quarter times at dinner, Tannen looks to Italian and licorice liqueurs and cognac for "pretty constant" sales. As for merchandising, Tannen says, "This is a first-class restaurant. The people who come here know what they want. There's no chicanery like table tents or anything like that."

Peter Barsczeski, back-of-house manager at New Orleans' Mr. B's for the last two years, said, "We're not interested in doing a high-volume business for the sake of having high-volume business. The Brennans [brother-and-sister owners Ralph and Cindy] don't operate on the basis of getting someone in and out."

Instead, the restaurant opts for a relaxed atmosphere, selling lots of brandies and specialty drinks like Irish Coffee and Mr. B's coffee, a combination of amaretto and orange brandy, coffee, whipped cream and a dash of cinnamon, priced at $4. Liquor makes up 35% of sales, Barsczeski said; 5% to 10% of that comes after dinner.

Samuel Correnti, beverage manager for New York's Water Club, said he is "very happy to have [customers] stay for an after-dinner drink." He reports sales of vintage ports after dinner have tripled, as have sales of dessert wines. Cordials begin at $4.50, with vintage ports, mostly 1963's, selling for between $12.50 and $14.50 a glass.

"Our captains are always trained to remember the wine list and what is available at the bar," said Correnti. "We rely on them to make suggestions when appropriate."

"Does it pay to keep people longer? Yes, it does," said Tino Escobedo, manager of Tony Vallone's Tony's in Houston. "But our type of client will stay regardless, for an after-dinner drink or just to enjoy coffee." The restaurant turns dinner tables twice a night. Aperitifs and light wines head the after-dinner list, Escobedo said, along with cream drinks and coffee liqueurs. The move to low and nonalcoholic drinks has not shown itself at Tony's, Escobedo said, but bartenders, when asked, will prepare soft drinks.

Exotic ethnic drinks capture the customer's fancy

By Mark Schoifet

Operators of ethnic or regional American restaurants are finding the American penchant for exotic fare includes beverages as well as food.

Restaurateurs often promote a specific drink or beer as their signature bar item. Whether it's an Asian beer at a Japanese restaurant or a frozen margarita at a Mexican dinnerhouse, those items are often top sellers.

Consul Corp., the largest franchisee of Chi-Chi's Mexican restaurants, said margaritas account for between 50% and 80% of all liquor sales. The tequila-orange liqueur-lime juice concoction is promoted through table tents and via a popular Tuesday promotion known as "Margaritaville." During the Tuesday promotion both types of margaritas—regular and strawberry—are half-priced. Regular price is normally between $3.50 and $4.

"That has been one of the most successful promotions Chi-Chi's has run," said Alex Keto, director of marketing for Consul Corp., which operates 46 Chi-Chi's units.

Consul even changes the consistency of its frozen margaritas according to region. In Texas units the drinks are icy, while in the Midwest the margaritas are more frothy, according to the company.

Rocky Aoki, founder and president of the 45-unit Benihana chain of Japanese restaurants, is also well aware of the marketability of ethnic drinks. His exclusive deal for a leading Japanese import beer has made Benihana responsible for about 10% of United States consumption of the product, Aoki said. Benihana also sells a private label of *sake*, a rice-based alcoholic drink that is usually served hot.

At Consul Corp.'s Chi-Chi's franchises, margaritas account for between 50% and 80% of all liquor sales.

Aoki's newest venture is expected to be the introduction of *shochu*, a Japanese root-based liquor similar to vodka.

"It is the most popular drink in Japan right now," said Aoki. "We'd like to introduce *shochu* to the U.S. in the later part of this year."

Some of the most dynamic promotions of regional American drinks take place at the American Festival Café at New York's Rockefeller Center. The restaurant, which changes its menu several times a year to focus on different geographic regions, takes great pride in the authenticity of its drinks.

A recent New Orleans menu featured sazerac cocktails (a mist anchored by bitters), Arnaud's ambrosia (brandy, cointreau, lemon juice and champagne), Ramos gin fizz (orange flower water, lime juice, lemon, milk and egg white for foam) and several champagne-based Hurricane drinks popularized by Pat O'Brien's establishment in the French Quarter.

Other New Orleans-area drinks popular at Cajun restaurants include Cajun martinis, which can be several variations of drinks made with vodka that has been marinating in jalapeño peppers.

American Festival Café's current regional-drink special coincides with its "Springtime in Charleston" theme. Three special drinks, Cherry Bounce, Cool o' the Evening and St. Cecilia Society Punch, contain Barbadian rum. The restaurant notes many second-generation English colonists moved to Charleston from Barbados because of its similar climate.

The Cherry Bounce is rum mixed with the juice of tart cherries. Cool o' the Evening is rum, lemon, mint and sugar. And St. Cecilia Society Punch is champagne, stirred once with a light mixture of two brandies, rum and lemon juice.

Operators find mocktails an alternative to alcohol

By Don Jeffrey

Reviled by some as overpriced fruit juices and praised by others as imaginative beverage offerings, mocktails are working their way onto the menus of restaurants, bars and even baseball stadiums.

Declining sales of alcoholic beverages and the current mood concerning drinking and driving have forced operators to look for alternative ways of boosting beverage sales. And mocktails have been one of the most visible options.

A mocktail typically resembles an alcoholic beverage like a margarita or Bloody Mary in name, ingredients and look, except that there is no alcohol present.

Some operators believe those drinks are a fad that will fade when the current antidrinking climate cools. Others object to the term "mocktails" or the way in which they are presented, saying they do not do justice to the new breed of beverage.

As for sales gains, reports are mixed. Responses range from "significant" gains to hardly any effect at all. Some say mocktails have helped arrest the decline in overall beverage sales.

At Consul Corp., the 47-unit Chi-Chi's franchisee, the four $1.95 mocktails known collectively as Nada have boosted check averages because customers who ordered soft drinks have traded up to them, according to marketing director Alex Keto.

At The Cranberry Bog, an independent restaurant near Albany, N.Y., mocktails are a "significant" percentage of sales, says operations manager Mike Fitzgerald. The best nonalcoholic seller, he says, is a mock wine made from grape juice.

Fitzgerald says his restaurant began offering mocktails long before the drinking-and-driving issue became inflamed. "It was time to take the nonalcoholic drinker out of the closet and give him something other than soda and coffee."

Also early in developing nonalcoholic drinks was 110-unit T.G.I. Friday's. Publicist Nathan James says Friday's introduced those drinks about 10 years ago as part of the process of becoming more food oriented. The trend toward greater concern over health and fitness gave the process a boost.

Friday's now features two lines of such drinks: smoothies and flings. Smoothies, which sell between $2 and $3, have the taste of fruit and yogurt. The newly rolled-out flings are a mixture of fruit juices and sparkling waters.

But James says Friday's dislikes the word *mocktails*. Smoothies and flings are "a new category of drinks," he says. "They don't make a pretense to look like or taste like cocktails."

Seventy-unit Bennigan's has had three mocktails on its menu for two years and plans to add more on the new menu it is introducing in May. A spokesman says mocktails will receive a new emphasis. "They'll be the first thing you see when you open the menu." They are priced from $1.50 to $2.25.

Bennigan's has had three mocktails on the menu for the last two years. It plans to add more on the new menu which will be introduced next month.

Few chains or restaurants seem to be marketing their nonalcoholic beverages outside their establishments. Table tents and other internal promotions are the favored means of merchandising.

At The Cranberry Bog employee-incentive promotions treat the mocktails the same as an alcoholic beverage. An employee gets just as many points for selling Virgin Marys as for Bloody Marys.

Some independents merchandise mocktails through separate menus. At Plumbley's off the Common, an Amherst, Mass., restaurant, that works well, says manager Bob Jones. Sales are "noticeable," he says. Amherst is a college town in a state that has some of the strictest laws in the nation regarding the sale of liquor.

Gene Sage, owner of restaurants in the Chicago area, has a section on his wine lists for "alternative drinks." It includes beers, wines, ciders and mocktails. The media's interest in the new drinks has helped sales.

Sage warns, though, that operators must change the presentation of many of the drinks because they are "too youth oriented." Older people are not ordering them.

Mocktails have found their way into contract food service as well. Sportservice and its sister company, Air Terminal Services, operators of food service in 14 airports and 48 parks, stadiums and arenas, have been experimenting with them.

Spokesman Marilyn Wilson says a "mock-garita" is being tested this year at Busch Stadium in St. Louis. It is being merchandised at a Mexican-food concession stand and also in a portable nacho stand in the concourse of the stadium. That and other efforts by the companies are part of an aggressive new campaign under the slogan "Sobriety is no accident."

Happy hour promotions draw fire from all sides

By David Zuckerman

In the wake of a nationwide crackdown on drunken drivers, so-called happy hour promotions—offering reduced-price drinks between 4 p.m. and 7 p.m. weekdays—are drawing increasing fire from state legislators, antidrinking groups and, surprisingly, restaurant operators themselves.

Already banned in some states and facing extinction in others, happy hours have become over the years the principle marketing tool for attracting late-afternoon bar business. But while happy hour drink premiums remain an industry standard, a growing number of operators have begun to de-emphasize alcohol in favor of stepped-up food promotions.

Nearly half (49%) of the independent restaurants surveyed by *Nation's Restaurant News* last month said they served hors d'oeuvres in their bars. In the same survey 88% of the chain hotels and 65% of the chain dinnerhouses said they served hors d'oeuvres.

Cheese is the most popular bar food, with 54% of the operators surveyed saying they offered it at the bar. Other popular items are chicken (served by 34% of all operators surveyed), shrimp (34%), meatballs (30%), pizza (27%), egg rolls (21%), vegetables (18%) and tacos (18%).

In an attempt to discourage excessive drinking at happy hour, Chadwicks, with three restaurants in the Washington, D.C., area, dropped all happy hour discounts on alcoholic beverages, even though it wasn't required to do so by law.

While competitors continue to lure the after-work crowd with reduced-price drinks, Chadwicks—which counts on bar business for approximately 45% of sales—has instead begun offering half-priced food side orders in the 4:30 p.m. to 6:30 p.m. time slot along with its usual complimentary nacho chips and dip.

"We are not discouraging drinking, just excess drinking," said Chadwicks' vice president of finance Tom Russo of the new policy. "Happy hour was a very profitable period for us because of the high volumes, and we were definitely concerned that there would be a sharp dropoff in traffic."

Instead, Chadwicks' counts have remained stable, according to Russo, and could actually improve when the half-priced food promotion catches on. The restaurants are currently not advertising the food specials, which include such items as onion rings, fried zucchini, mozzarella sticks and a fruit and cheese board listed daily on a blackboard.

While Chadwicks is now offering the discounted side orders "practically at cost," according to Russo, the restaurants' bottom line could well improve under the new policy. Assuming that traffic counts do not deteriorate substantially, the elimination of reduced-price drinks during happy hour will put an end to a major profit drain.

"Normally happy hour is not a strong period for food sales anyway," Russo said, indicating Chadwicks will lose less on discounted food than on discounted drinks. "People who come to a bar at that time of day are looking to meet other people and have a drink. After all, we begin serving dinner at 5 p.m."

Other operators, as well, have begun to view happy hour drink premiums as a losing proposition. Unlike Chadwicks, however, most have retained the promotion in states where it has not been banned for fear of losing too much traffic to the competition.

"The only reason we have happy hour is that everyone else does," said Lorraine Rahaim, a spokesman for Hattiesburg, Miss.-based Chevy's Diner and Bar. "If they passed laws banning happy hour in states where we operate, I think it would be great as long as everyone had to comply."

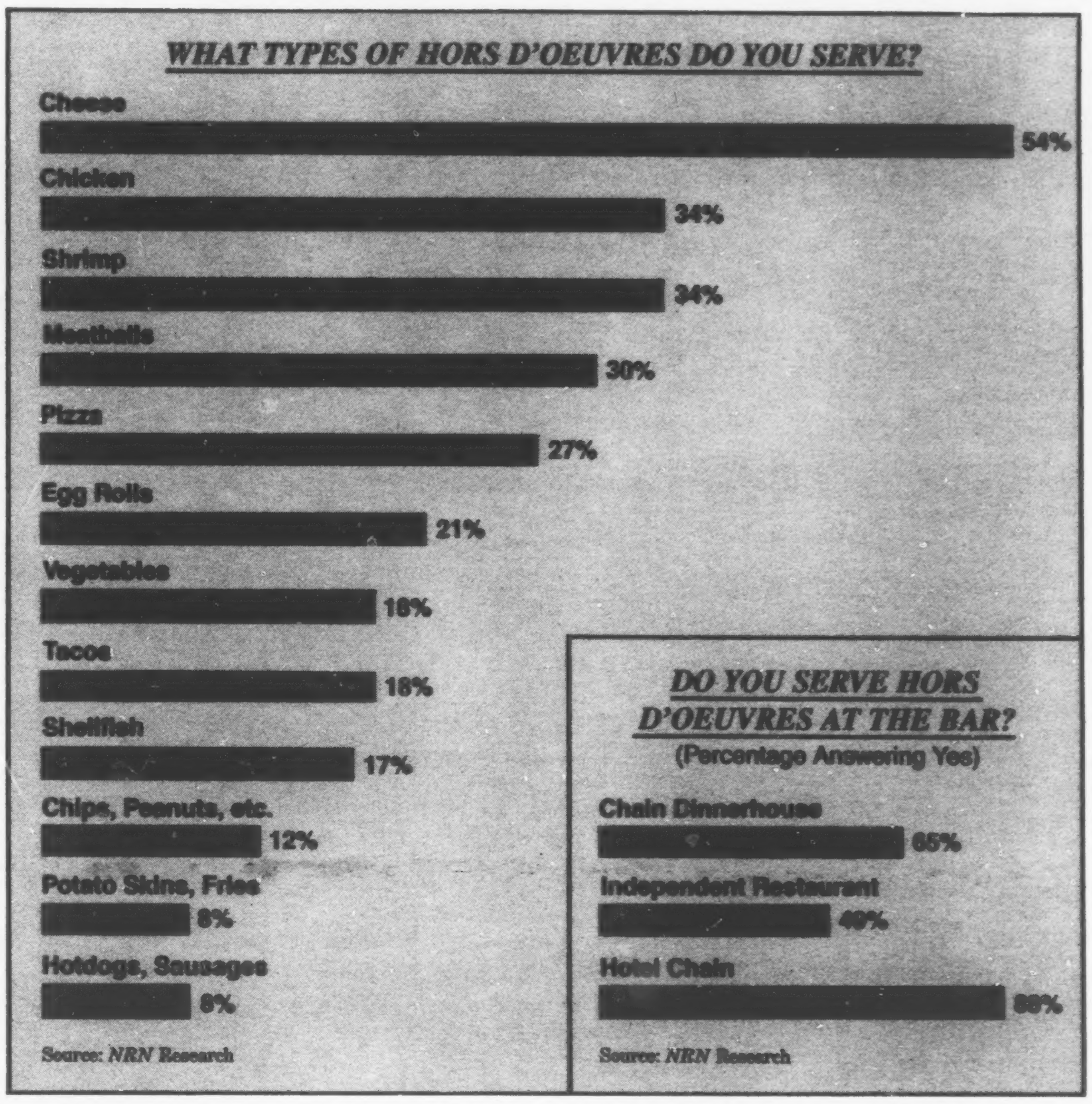
In fact, some larger chains, such as Irvine, Calif.-based El Torito, that operate units in states that have already banned reduced-price drink promotions are garnering substantial benefits from the new legislation.

"In Massachusetts we cut out happy hours even before the legislation was official," said El Torito executive vice president Martin Casey. "Instead we beefed up our free appetizer table, which includes Mexican specialties like burritos, guacamole dip and salsa."

Initially, Casey said, customer counts at Massachusetts El Torito units were down slightly, but "sales were not off because we had eliminated the discounting of drinks."

After a short period, however, traffic began to return, and now both sales and customer counts in Massachusetts are higher than ever, according to Casey.

"We still have happy hours in areas where it is permitted, but the impact is really very negligible," Casey said. "What you lose in terms of body counts [if happy hours are banned] you make up in increased sales. To some extent we view the end of happy hours as a price increase."



Source: *NRN* Research

Source: *NRN* Research

Ice cream 'smoothies' shake up beverage sales

By Ken Frydman

As spring settles in and temperatures rise, the sale of ice cream and liquor drinks is heating up at casual theme restaurant/bar operations.

"Five years ago ice cream drinks weren't really popular in restaurants, bars and lounges, but today they're 'hot' because of the variety of combinations and creations," said Mitch Howard, bar manager of Sea Galley in Lake Oswego, Ore., a suburb of Portland.

The ice cream/liquor concoctions, known commonly as "smoothies," are gaining in popularity among young and old alike—from New York to California. In fact, the Nanny Rose restaurant/bar in Manhattan expects to sell 150 $4 ice cream drinks a day this summer, or 30% of overall beverage sales, general manager Janine Freed said.

"During the winter we only sell a few of our Crayola Creams [vanilla ice cream, kahlua, amaretto, milk and cinnamon] and Nanny Roses [ice cream, strawberries, gin and milk garnished with whipped cream] each day," said Freed.

Warming trends are not solely responsible for the upsurge in those specialty drinks.

As preferences evolve from hard liquor to lighter beverages and intolerance toward drunk driving grows, many restaurant and bar customers are opting for alternatives like smoothies.

Even T.G.I. Friday's, the granddaddy of casual theme concepts, is heavily committed to its new line of 25 smoothies, nonalcoholic drinks made with yogurt, fresh fruits or sherbets.

"We're listening to what the customer has to say to us, and what he's saying is that he wants 'healthy'-type drinks," said Myke Gorecki, T.G.I. Friday's beverage director.

The Sea Galley has launched a merchandising effort around its line of 25 ice cream, liqueur and fresh fruit drinks, which sell for $2.75 each and account for 15% to 20% of total liquor sales, according to Howard.

"We offer them as before-dinner drinks and after-dinner desserts and suggestively sell them all day long, especially during the cool, soothing drink season," said Howard. Sea Galley is currently selling 20 smoothies a day; during the peak summer months the restaurant will sell 40 to 50 each day, he added.

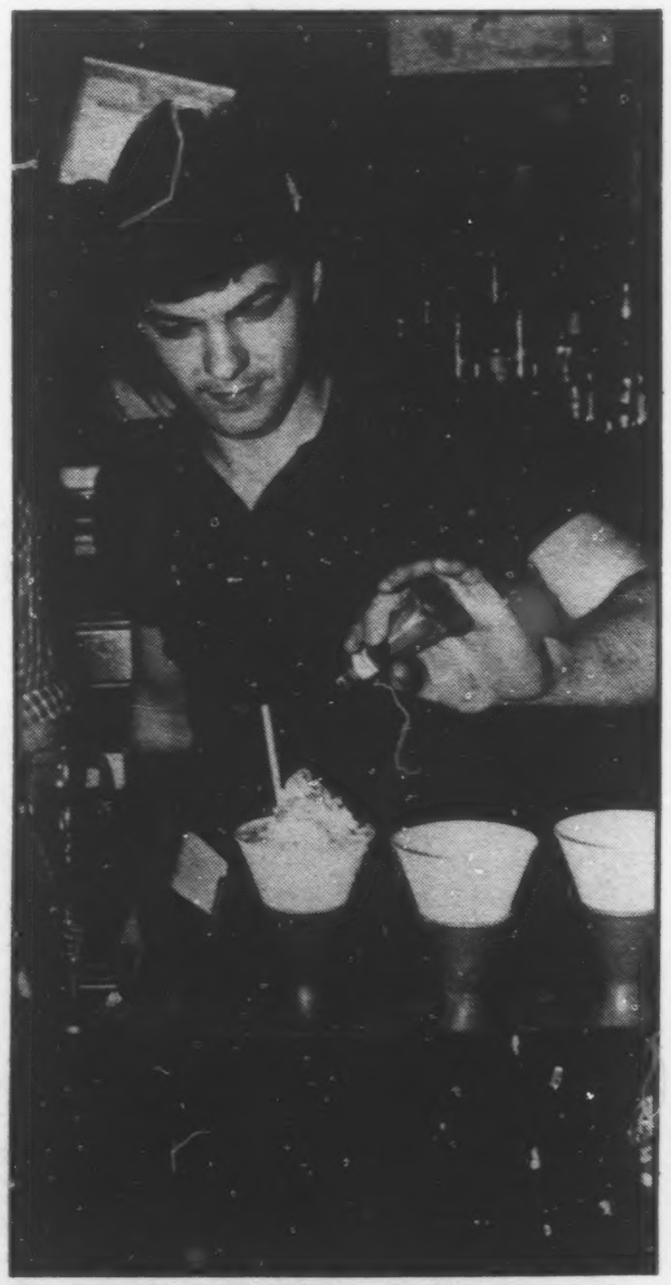
Sea Galley's dining customers are offered 3-oz. samples of strawberry, chocolate cookie and dark cocoa and banana smoothies while they wait for tables. A "Build Your Own Smoothie" program allows customers to mix liqueurs, ice creams and fruits together, creating their preferred blend. Two neon wall signs proclaim "Ice Cream Drinks."

Mardi Gras, the Red Onion chain's first "party" theme restaurant/bar, is tying in a menu of spiced barbecue, seafood, ribs, chicken and Mexican entrées with its clown-costumed employees, balloons, streamers and smoothies.

"Sixty per cent of our sales are liquor, and, depending on the time of year, a lot of that is generated by smoothies," said Mardi Gras manager Robert Simonetti. Table tents feature $1.95 to $2.95 smoothies, along with $9.95 "Buckets of Booze."

Although smoothie prices vary across the country, from the $1.95 "plain vanilla" version at Mardi Gras to the $4 variety at Nanny Rose, overhead costs remain basically the same—low.

The standard ice cream/liquor drink consists of brand name hard-pack ice cream refrigerated at 35° to 45°, fresh and frozen fruits and well-known brand liqueurs. The only equipment required by the bartender or mixer is an ice cream scooper and blender.



From New York to California, the sales of ice cream "smoothies" are gaining ground.

FOCUS NRN

BEER, WINES & SPIRITS

Touting benefits of a super wine list

By Mort Hochstein

It costs restaurants a lot of money to build and maintain the kind of wine list that earns them national celebrity.

Why bother trying to create a super list? Why not cover all the bases with a well-rounded 30- or 40-bottle list and not be troubled by the problems and costs of maintaining a huge wine inventory?

Here's why from Allan Stillman, who is the proprietor of several top restaurants and is assembling a 50,000-bottle wine cellar at his Smith and Wollensky steakhouse in Manhattan:

"Let's say that the average cost to us is $10 a bottle. That's a $500,000 investment. At 15% interest that investment is costing us $75,000 a year.

"O.K. We've got 300,000 people a year coming through the door. If I can convince 1 out of 20, 1 out of 30, to do one of three things, I am going to get my investment back so fast it will make everybody's head spin."

Stillman said this is what can happen when his restaurant has a super wine list:

"My list is so much better than others that the customer will order a bottle of wine when he didn't intend to have wine. When people are presented with a 250-bottle wine list rather than a 40-bottle list, they tend to order wine. They perceive that my restaurant specializes in wine.

"Maybe it'll get a customer to order a better bottle of wine.

"Maybe it'll appeal to a writer who'll tell his readers my steakhouse has the best wine list in the world."

"How much is that worth?" Stillman asked and answered his own question: "$75,000 a year. All I need is one write-up by somebody with enough clout to bring in 4,000 or 5,000 extra people each year. Bingo! Big deal! It covers the whole thing."

With Stillman the proof shows in the cash register. "We started out with 15 bottles on the list," he said. "Now we have 30 California, 50 French reds. Our wine sales in seven years have shot up tenfold. Wine sales are going up 40% faster than food sales, and more of our customers are drinking wine because we've made a tremendous leap in what we can offer them."

He also dares to be different. "We serve absolutely no red Burgundies. Why?" He asked. Again he answered his own question: "I happen to be a Bordeaux drinker and a California drinker." It is not altogether a matter of personal taste, however. He adds: "When you start out with a wine list, Burgundies are very expensive, so we emphasize the other great reds."

When he finally stocks that 50,000-bottle cellar, will he have a great wine list? "No. It will be completely off balance," he explained. "We'll have a normal selection of whites, including white Burgundies, but we will have the best list of California Cabernets and Bordeaux in the world.

"In five years, with the power and the money that we have, it will simply be the greatest possible collection of Cabernet and Bordeaux reds. Now that is going to bring them in. With a wine list like that, where are the people going to go for steak?"

Is Stillman a cocky guy? No question about it, but this, after all, is the man who created—for better (his, certainly) or worse—T.G.I.F., the first singles bar in the United States, and fostered a whole chain as well as hundreds of knockoffs. Is he right in his assessment of the attraction a huge selection of red wines will have for you, the customer? I think so.

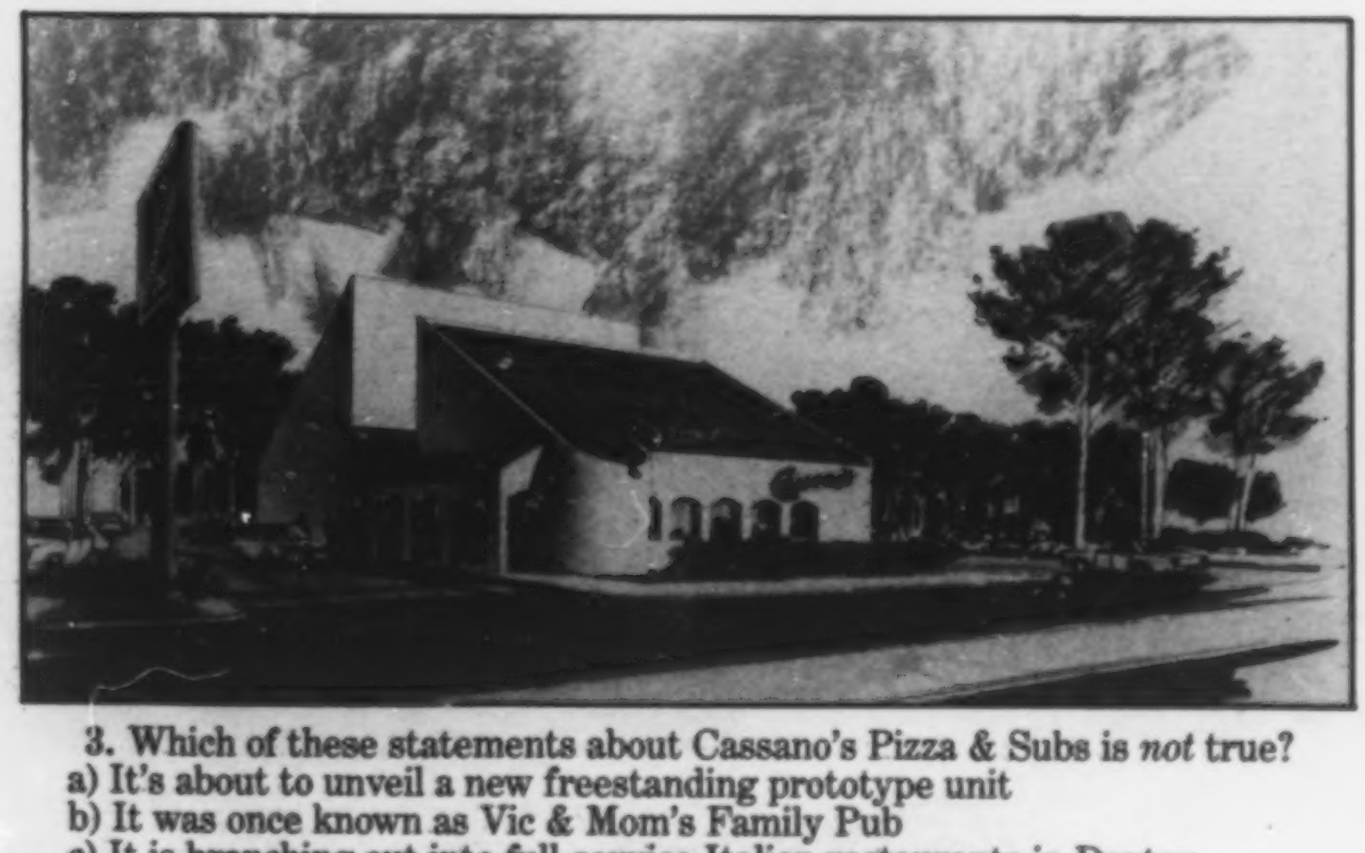
It is a given that a restaurant with a superior wine list does have that added advantage over a restaurant with a so-so collection. Do restaurants know how valuable that wine-lover-friendly association is? There's no question that they do. More and more, restaurant evaluations take into account the size and depth of the wine and the pricing. Today's sophisticated customers want to be sure the wine is there to add to the enjoyment of the meal. Wine lists are a factor in winning the awards—consumer and trade—that restaurants proudly place on their walls and in earning the recommendations in the guides for travelers.

RESTAURANT NEWS QUIZ

Here's this week's multiple-choice Restaurant News Quiz. Check your answers against the ones below. All questions are based on recent articles in *Nation's Restaurant News*. Good luck.

1. Which of these steakhouse chains is the most recent to roll out a product line geared toward health-and-nutrition-conscious customers?
a) Bonanza
b) Ryan's
c) Golden Corral
d) Quincy's

2. Hughes International Inc. has reportedly signed a contract with an unidentified fast-food burger chain to develop a restaurant staffed entirely by . . .
a) women
b) children under 15
c) robots

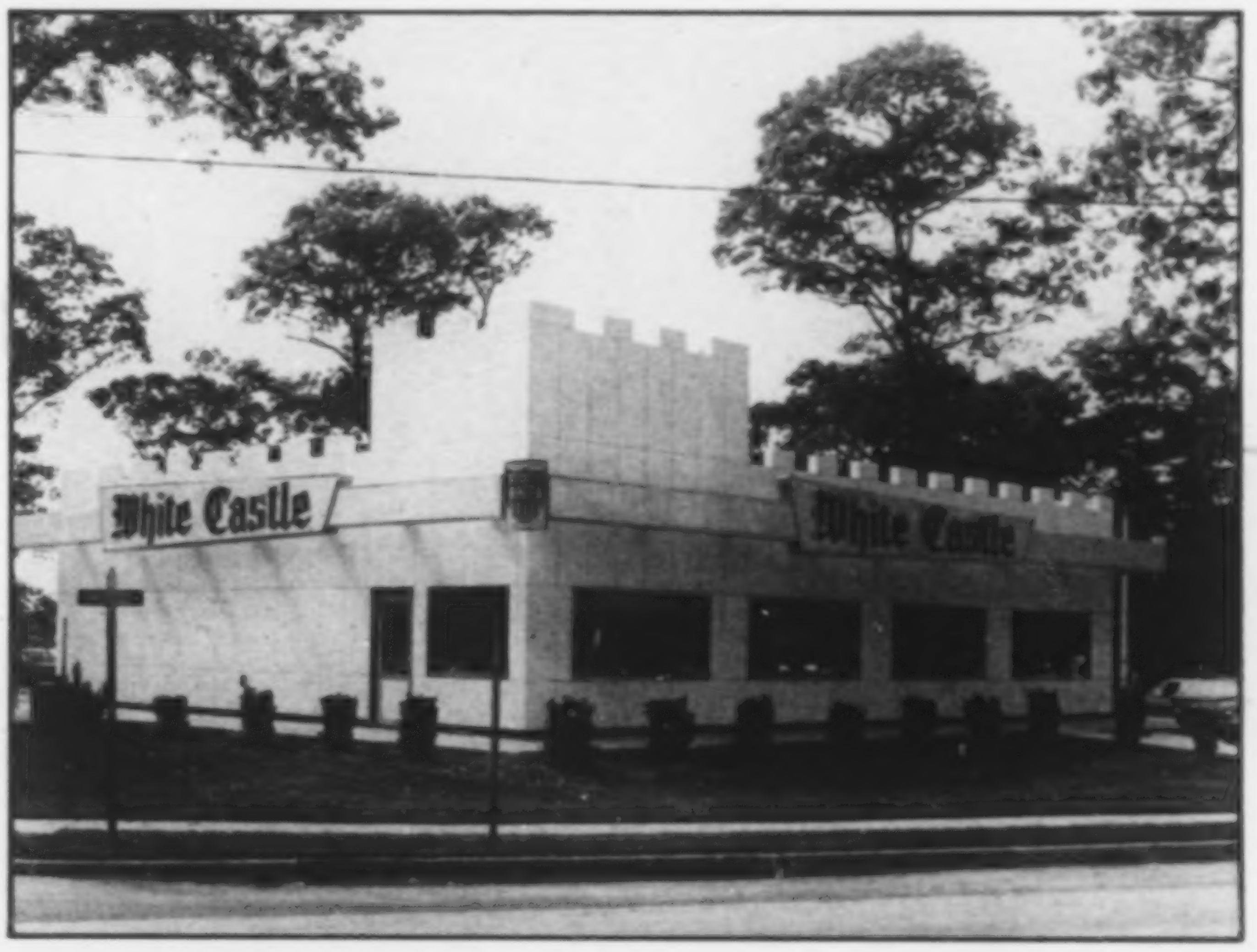


3. Which of these statements about Cassano's Pizza & Subs is *not* true?
a) It's about to unveil a new freestanding prototype unit
b) It was once known as Vic & Mom's Family Pub
c) It is branching out into full-service Italian restaurants in Dayton
d) It is moving more toward franchising than ever before

4. "It's time for a new generation here," said this well-known restaurant consultant recently, "and while I will continue to head policy and direction on all our projects, Bob and Fred will run the daily operations." Who is this consultant?
a) Malcolm Knapp
b) Mike Culp
c) Roger Lipton
d) George Lang

5. The Old Fisherman's Grotto Restaurant in San Francisco has redesigned its menu. In what way?
a) It now contains 48-hour weather reports
b) It now contains price comparisons with other seafood restaurants in the area
c) It now contains photos of missing children

6. It is far and away the largest c-store chain in America; its executives claim to sell more cups of coffee than does McDonald's. What chain is it?
a) Circle K
b) Stop-N-Go
c) Shop-N-Go
d) 7-Eleven



7. White Castle will continue its TV and radio advertising featuring . . . what?
a) "True life" stories
b) Its frozen-burger sales
c) Its low (28¢) price
d) Its white exteriors

8. The four burger giants—McDonald's, Burger King, Wendy's and Hardee's—are fighting over a potentially lucrative site. Where?
a) In a Louisiana convent
b) On a Virginia Marine base
c) In Los Angeles' Hollywood High School
d) On top of New York's Empire State Building

9. A poll of New York Metro Area men and women by a daily newspaper found that 44% of the men and 22% of the women preferred . . .
a) Full-service restaurants to fast food
b) Sex to eating out
c) Eating out to sex
d) Sex to practically anything else

10. This chain has published a fast-food consumer parody "translating" statements like "pull over please" and "step aside, please" and offering a two-step diagram for "on-line advancement" detailing the "Lateral Shuffle" and the "Approach and Blend." Which chain is it?
a) Houlihan's
b) Wendy's
c) Fuddrucker's
d) G. D. Ritzy's

Quiz answers

Here are the correct answers to the Restaurant News Quiz: 1. b; 2. c; 3. c; 4. d; 5. c; 6. d; 7. a; 8. b; 9. b; 10. b.

NRN Index climbs 1.5 pts.; gainers beat losers 43-37

NEW YORK — The *Nation's Restaurant News* 89-issue Food Service Operators Stock Index rose 1.5 points in the week ended April 12 to close at 120.1, a record level.

Advancing issues outpaced declining issues, 43 to 37, with 27 unchanged on the full 107-stock *NRN* list, which includes lodging and diversified companies.

The Dow Jones Industrial Average closed at 1,265.68 on April 12, up 6.63 points in the week. Economic news was mixed. While producer prices rose only 0.2% in March, retail sales were down 1.9%..

A leading percentage-price gainer in the week was 125-unit Godfather's franchisee Concept Development, up $2, to close at $12.25. During the week parent Diversifoods said Godfather's president, Jeff Jefferson, had resigned. A Concept Development executive said that would not affect its lawsuit to break the franchise agreement. Diversifoods closed 13¢ lower, at $9.88.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Concept Dev .... O	185.1	Fresher Cooker .... O	73.2
Kapok Cp .... A	144.9	Allegheny Bev .... M	68.6
Hilton Hotels .... N	119.1	Hambrg Hamlet .... O	68.4
Nat'l Pizza .... M	110.5	McFaddin Ventures .... M	62.5
Servico Inc .... M	80.0	Esteban Foods .... O	61.6

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kapok Cp .... A	27.8	Rusty Pelican .... M	8.6
Concept Dev .... O	19.5	Fresher Cooker .... O	8.3
Flakey Jakes .... M	15.4	Assoc Hosts .... M	7.0
Calibre Cp .... M	12.5	Victoria Stations .... M	6.1
JB's Rest .... M	9.6	Collins Foods .... N	6.0

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Good Taco .... O	- 28.6	Piccadilly Caf .... M	- 8.8
Kelly-Johnston .... M	- 21.4	1 Potato 2 .... O	- 8.3
Peoples Rest .... M	- 14.3	Fuddruckers Inc .... M	- 8.0
Max Erma's .... O	- 12.5	Restaurant Sys .... M	- 6.6
Nankin Express .... O	- 10.0	Sandwich Chef .... M	- 6.5

Company and Market	Stock Market: Price: 4-12-85 Close	Price: Weekly Change Amt.	Price: Weekly Change Pct.	Price: Weekly Range High	Price: Weekly Range Low	Price: 52-Week Range High	Price: 52-Week Range Low	Volume: Weekly Shares Traded Total	Volume: Weekly Shares Traded % Out	Volume: 12-Week Avg. Vol. As % Out	Volume: Volume Trend Change	Financial Update: P/E Ratio	Indicated Dvd. Rate Amt.	Indicated Dvd. Rate Yld.	Latest Report: New Report	Latest Report: Period	Latest Report: Date Ended	Latest Quarter: Revenue Amt.	Latest Quarter: Revenue Chg.	Latest Quarter: Net Income Amt.	Latest Quarter: Net Income Chg.	Latest Quarter: E.P.S. Amt.	Latest Quarter: E.P.S. Chg.	Year-to-Date: Revenue Amt.	Year-to-Date: Revenue Chg.	Year-to-Date: Net Income Amt.	Year-to-Date: Net Income Chg.	Year-to-Date: E.P.S. Amt.	Year-to-Date: E.P.S. Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs .... M	5.50	- .25	- 4.3	5.50	5.25	7.50	3.50	126	.35	1.24	- 71.8	17.2	.00	.0	.....	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests .... O	4.38	.00	.0	4.50	4.38	5.00	3.50	101	.41	.62	- 33.9	15.1	.00	.0	.....	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants .... O	3.88	.00	.0	4.13	3.88	6.00	2.38	44	.19	.43	- 55.8	20.4	.00	.0	.....	9 mos.	10-84	4.6	17.9	.1	.0	.02	- 60.0	13.6	25.9	.3	.0	.12	- 40.0
Assoc Hosts .... M	13.38	.88	7.0	13.38	12.25	17.13	10.88	785	1.77	2.52	- 29.8	16.1	.12	.9	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char .... A	2.25	- .13	- 5.3	2.50	2.25	4.13	1.75	192	.34	.66	- - 48.5	NE	.00	.0	.....	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Benihana Natl .... M	20.38	.13	.6	20.50	20.25	21.75	9.63	482	1.59	4.52	- 64.8	22.1	.00	.0	.....	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms .... M	20.50	1.00	5.1	20.50	19.50	20.50	14.75	2,265	1.39	1.13	23.0	19.0	.30	1.5	.....	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp .... M	1.13	.13	12.5	1.13	0.63	6.75	.63	95	.31	.45	- 31.1	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food .... M	11.63	.00	.0	11.63	11.38	13.25	7.25	1,552	3.42	3.20	6.9	18.5	.16	1.4	.....	9 mos.	11-84	13.6	24.8	.9	80.0	.19	46.2	38.6	18.0	2.3	53.3	.50	28.2
Capt Crab .... M	2.50	- .13	- 4.8	2.63	2.25	6.13	1.38	4,458	2.91	1.94	50.0	NE	.00	.0	.....	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp .... N	9.75	- .38	- 3.7	10.13	9.63	11.50	7.63	290	.37	1.15	- 67.8	13.2	.07	.7	.....	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's .... M	10.50	.00	.0	10.75	10.50	18.25	10.00	4,977	1.85	3.77	- 50.9	16.7	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc .... M	27.75	1.00	3.7	28.88	26.63	28.88	12.75	1,529	3.40	2.39	42.3	40.8	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch .... N	37.13	- .63	- 1.7	38.25	37.00	38.50	22.75	1,521	.81	1.83	- 55.7	16.4	.80	2.2	.....	fiscal	12-84	182.4	20.2	14.5	79.0	.77	140.6	533.2	17.3	42.6	34.8	2.26	36.1
Collins Foods .... N	22.25	1.25	6.0	22.38	20.88	22.38	10.00	882	.67	1.32	- 49.2	16.9	.16	.7	.....	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev .... O	12.25	2.00	19.5	12.75	10.25	16.50	5.75	2,477	4.79	1.68	185.1	15.9	.00a	.0	.....	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts .... O	4.88	.00	.0	5.00	4.88	6.75	4.63	63	.18	.33	- 45.5	13.9	.08	1.6	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant .... M	5.25	.00	.0	5.25	5.00	13.50	4.50	410	.90	2.12	- 57.5	NE	.00	.0	.....	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel .... M	14.00	.00	.0	14.50	13.88	23.50	11.75	245	.69	1.18	- 41.5	16.9	.14	1.0	.....	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc .... O	5.75	.00	.0	6.25	5.75	5.75	2.75	70	.40	.70	- 42.9	44.2	.00	.0	.....	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods .... M	9.88	- .13	- 1.3	10.13	9.75	16.75	8.00	14,741	4.37	7.11	- 38.5	18.3	.34	3.4	.....	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer .... M	13.50	- .25	- 1.8	13.75	13.38	15.50	10.88	968	1.92	3.65	- 47.4	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts .... M	27.88	.75	2.8	28.00	27.13	28.00	19.25	1,422	2.99	2.65	12.8	14.3	.32	1.1	.....	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico .... M	10.38	.13	1.2	10.50	10.25	10.88	7.25	328	.71	1.68	- 57.7	13.3	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest .... N	15.25	.38	2.5	15.25	14.38	15.25	9.25	450	.41	.94	- 56.4	15.7	.00	.0	.....	fiscal	12-84	61.1	13.6	2.1	110.0	.19	35.7	250.1	18.7	11.1	42.3	.97	42.6
Fast Food Oper .... O	.69	.00	.0	0.75	0.69	1.63	.63	308	.52	.59	- 11.9	9.8	.00	.0	.....	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes .... M	7.50	1.00	15.4	7.50	6.38	9.13	5.13	1,485	2.13	2.86	- 25.5	NE	.00	.0	.....	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Fresher Cooker .... O	1.63	.13	8.3	2.00	1.50	6.75	1.50	217	.97	.56	73.2	NE	.00	.0	.....	3 mos.	03-84	.9	50.0	(.3)	NE	(.18)	NE	.9	50.0	(.3)	NE	(.18)	NE
Frisch's .... A	20.00	- .50	- 2.4	20.25	20.00	20.88	12.13	97	[illegible]	.16	37.5	16.9	.22	1.1	.....	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc .... M	8.63	- .75	- 8.0	9.50	8.63	15.25	8.50	2,130	3.27	3.99	- 18.0	NC	.00	.0	.....	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot .... M	2.31	.06	2.8	2.31	2.19	6.38	1.63	407	.68	1.83	- 62.8	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco .... O	.63	- .25	- 28.6	0.81	0.63	3.63	.25	412	1.39	2.87	- 51.6	NE	.00	.0	.....	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet .... O	14.25	.00	.0	14.75	14.25	14.50	9.75	23	.32	.19	68.4	7.7	.00	.0	.....	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger .... M	5.50	.25	4.8	5.88	5.38	7.00	3.63	333	1.16	2.20	- 47.3	28.9	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen .... O	42.50	.00	.0	44.50	42.50	50.50	38.00	10	.05	.28	- 82.1	11.9	.00	.0	.....	fiscal	11-84	25.8	14.7	1.0	.0	.55	41.0	132.3	17.2	7.7	6.9	3.58	21.8
Intl King Tab .... M	21.00	- .75	- 3.4	22.38	21.00	24.75	12.50	1,063	3.73	3.06	21.9	15.7	.00a	.0	.....	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest .... M	14.25	1.25	9.6	14.63	12.75	14.50	7.00	1,090	3.10	4.88	- 36.5	17.4	.16	1.1	.....	3 mos.	12-84	18.7	41.7	.6	.0	.17	6.3	18.7	41.7	.6	.0	.17	6.3
Jerrico Inc .... M	18.13	.25	1.4	18.13	16.63	19.50	13.00	5,290	3.35	3.98	- 15.8	13.1	.12	.7	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp .... A	2.88	.63	27.8	2.88	2.38	3.88	1.13	488	2.18	.89	144.9	4.5	.00	.0	.....	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl .... M	18.25	.88	5.0	18.38	17.38	29.63	13.50	1,006	1.43	2.86	- 50.0	10.9	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston .... M	.69	- .19	- 21.4	0.81	0.63	7.25	.69	2,287	2.68	3.06	- 12.4	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe .... N	28.00	.13	.4	28.00	27.63	32.00	23.63	495	.41	.40	2.5	18.4	.54	1.9	.....	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp .... M	16.63	.13	.8	16.75	16.50	17.13	11.88	48	.09	.36	- 75.0	10.8	.28	1.7	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp .... N	86.50	3.50	4.2	86.50	83.00	86.50	60.00	1,516	.59	.70	- 15.7	16.7	.54	.6	.....	fiscal	12-84	1122.2	30.1	43.8	41.3	1.64	47.7	3524.9	19.5	139.8	21.4	5.18	24.8
Maverick Rest .... O	2.50	.00	.0	2.63	2.50	6.25	2.25	231	.46	.32	43.8	31.3	.00	.0	.....	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's .... O	3.50	- .50	- 12.5	4.00	3.50	5.88	2.50	12	.07	.79	- 91.1	NE	.00	.0	.....	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp .... N	59.88	1.50	2.6	60.88	58.75	62.38	40.84	9,905	1.15	1.12	2.7	13.6	.82	1.4	.....	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures .... M	11.25	.00	.0	11.25	11.13	12.25	9.63	444	.91	.56	62.5	16.5	.00	.0	.....	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc .... M	19.63	.50	2.6	19.63	19.00	19.63	13.25	3,055	2.23	1.77	26.0	13.1	.48	2.4	.....	6 mos.	11-84	120.2	7.1	5.3	1.9	.39	5.4	238.1	6.4	9.9	1.0	.73	4.3
Mr Steak .... O	2.75	.00	.0	3.00	2.75	3.13	1.13	502	1.05	1.22	- 13.9	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express .... O	1.13	- .13	- 10.0	1.38	1.13	2.50	1.00	134	.60	.91	- 34.1	NE	.00	.0	.....	9 mos.	10-84	.3	50.0	(.3)	NC	(.10)	NE	.7	40.0	(.6)	NE	(.25)	NE
Nathans .... O	3.75	- .25	- 6.3	4.00	3.75	4.50	1.78	304	1.36	1.61	- 15.5	15.0	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza .... M	9.25	.50	5.7	9.50	8.75	9.75	7.50	224	.40	.19	110.5	10.3	.00	.0	.....	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc .... M	5.63	.00	.0	5.63	5.38	10.13	4.75	1,183	2.65	6.74	- 60.7	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 .... O	1.38	- .13	- 8.3	1.50	1.25	12.25	1.25	305	1.39	1.62	- 14.2	27.5	.00	.0	.....	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC

Reporting Period

3 mos. - First quarter of fiscal year
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fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

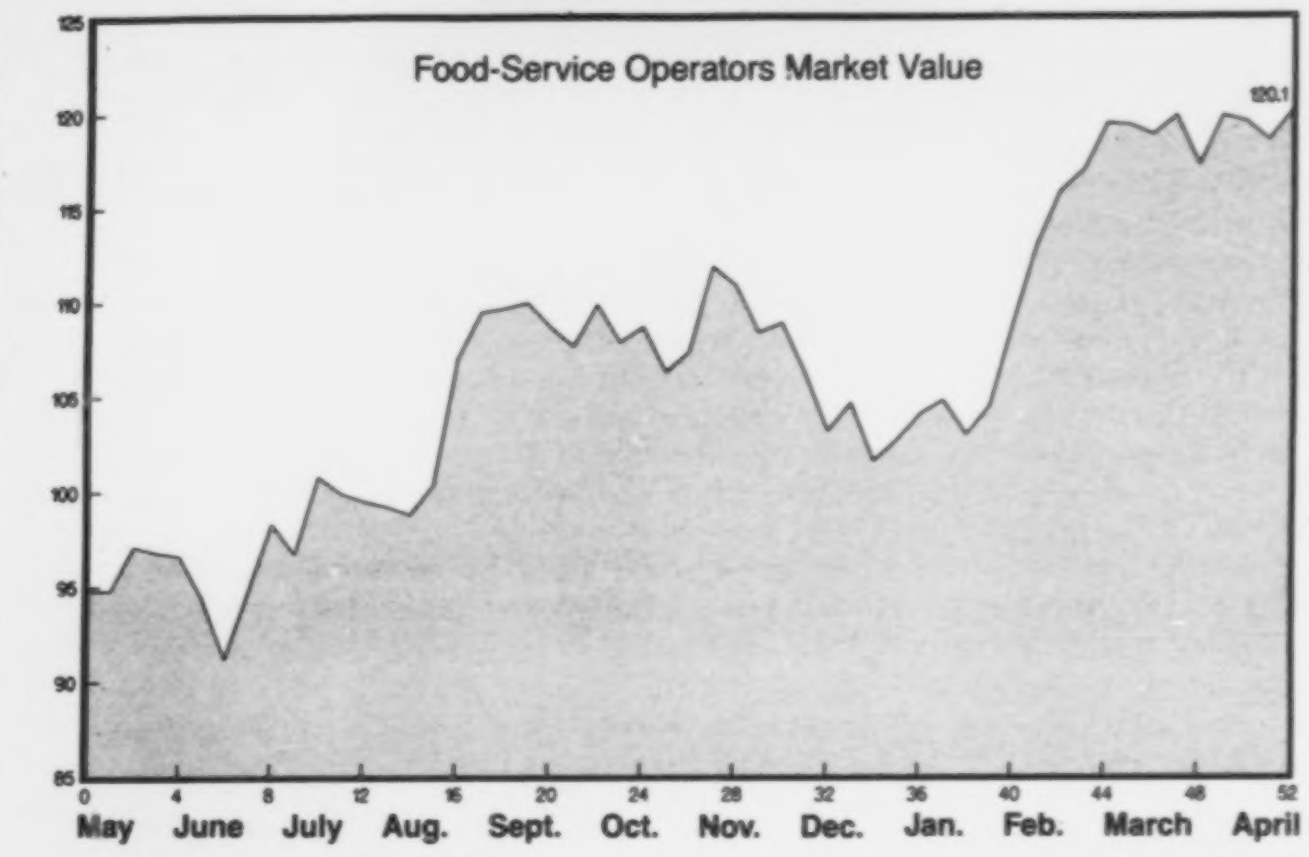
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

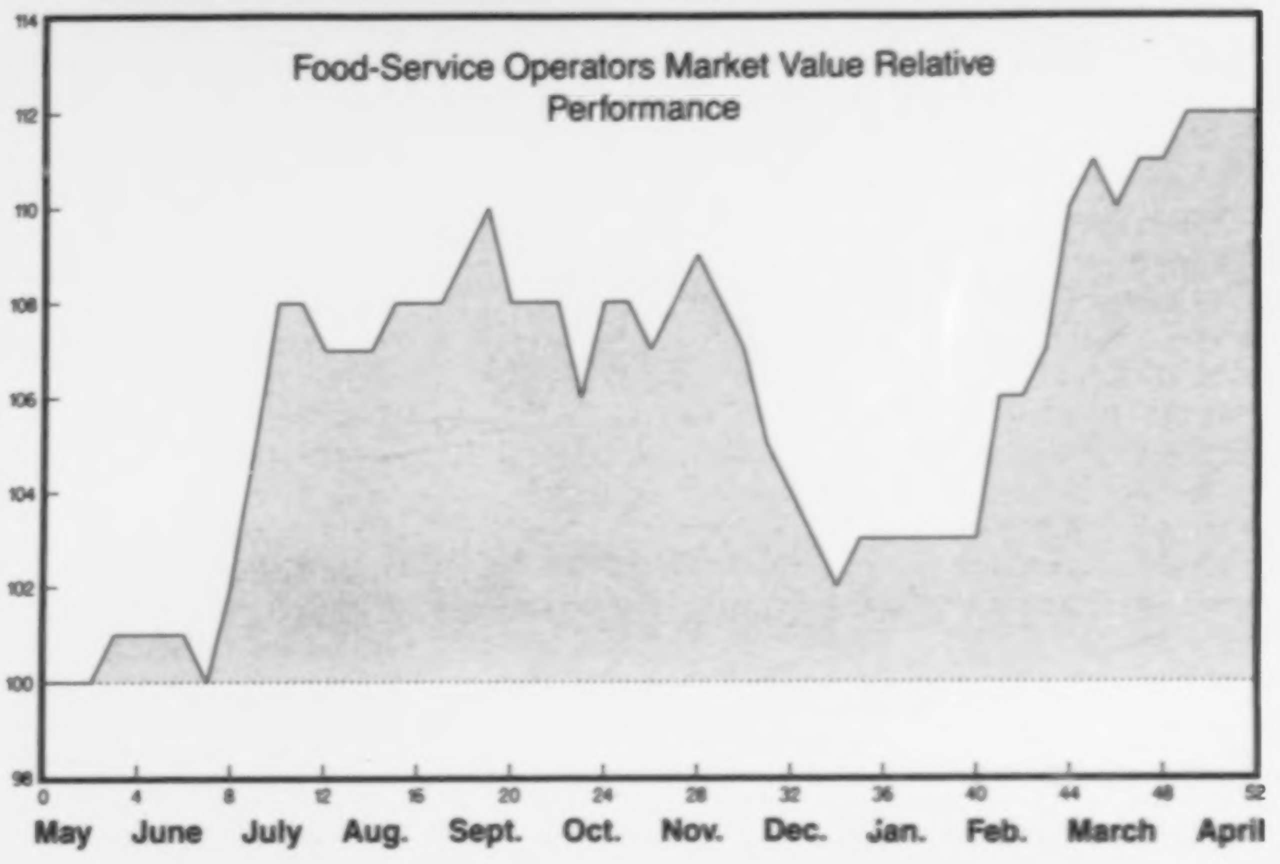
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	4-12-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd M	5.00	- .25	- 4.8	5.00	4.25	6.25	4.00	61	.44	.28	57.1	9.8	.00	.0	—	6 mos.	11-84	3.5	34.6	.1	- 50.0	.11	- 26.7	6.8	36.0	.3	- 25.0	.24	- 20.0
Pancho Mex Buffet M	7.13	- .13	- 1.7	7.13	7.00	8.25	5.88	788	2.12	5.62	- 62.3	12.7	.13	1.8	—	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest M	.38	- .06	- 14.3	0.50	0.38	2.88	.25	995	1.15	5.91	- 80.5	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	20.75	- 2.00	- 8.8	22.50	20.75	24.25	16.50	1,292	2.14	1.91	12.0	12.0	.60	2.9	—	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn A	8.88	.00	.0	9.00	8.88	12.75	6.88	141	.46	1.03	- 55.3	17.1	.08	.9	—	fiscal	12-84	50.0	33.3	(.9)	- 100.0	(.29)	- 100.0	185.6	24.6	1.6	- 55.6	.52	- 54.8
Po-Folks M	9.88	- .25	- 2.5	10.00	9.88	16.63	8.75	151	.34	.87	- 60.9	13.7	.00	.0	—	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys N	13.13	- .25	- 1.9	13.63	13.13	22.88	11.50	327	.34	3.05	- 88.9	7.7	.40	3.0	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	2.75	.00	.0	3.00	2.75	4.63	2.38	245	.73	1.10	- 33.6	NE	.00	.0	—	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
Rax Restaurants M	10.00	.25	2.6	10.00	9.50	16.38	8.00	287	.43	1.06	- 59.4	24.4	.00	.0	—	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	8.00	.00	.0	8.25	7.88	8.88	5.38	64	.23	.89	- 74.2	14.5	.00	.0	—	fiscal	12-84	34.6	- 2.8	.5	- 44.4	.20	- 47.4	132.4	- 6.2	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	14.25	- 1.00	- 6.6	14.50	12.75	16.50	9.00	380	1.64	1.27	29.1	16.0	.00	.0	—	fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzys G D M	3.00	.13	4.3	3.00	2.75	7.25	1.75	137	.26	1.19	- 78.2	NE	.00	.0	—	fiscal	12-84	3.3	50.0	(2.7)	NC	(.52)	- 100.0	13.9	87.8	(4.3)	NE	(.83)	NE
Rusty Pelican M	15.75	1.25	8.6	16.13	14.50	18.25	11.00	418	1.48	1.29	14.7	21.0	.00	.0	—	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	16.75	.75	4.7	16.75	16.25	17.75	11.25	320	.49	2.03	- 75.9	32.8	.00	.0		fiscal	12-84	NC	NC	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp N	28.63	- 1.13	- 3.8	29.75	28.38	35.50	26.75	1,289	.99	1.86	- 46.8	11.2	.52	1.8	—	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef M	7.25	- .50	- 6.5	8.00	7.25	9.25	6.75	151	1.21	.91	33.0	11.9	.00	.0	—	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley M	9.00	.38	4.3	9.13	8.63	11.00	6.50	1,109	3.04	6.73	- 54.8	4.6	.00	.0	—	fiscal	12-84	17.9	- 1.6	2.4	NE	.59	- 71.5	66.2	- 9.3	7.7	NE	1.94	- 9.8
Shoney's Inc M	28.50	.38	1.3	28.63	28.13	28.50	16.22	1,515	.53	1.69	- 68.6	25.0	.15	.5	—	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	14.25	- .25	- 1.7	14.50	14.00	16.59	11.00	244	.43	1.20	- 64.2	11.4	.00	.0	—	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp O	4.50	.00	.0	5.00	4.50	8.00	3.25	46	.30	.54	- 44.4	NE	.00	.0	—	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl M	19.00	.00	.0	19.00	18.25	20.00	9.25	383	.56	1.02	- 45.1	13.7	.00	.0	—	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	10.50	.38	3.7	10.88	10.00	12.50	8.00	283	1.04	1.93	- 46.1	11.3	.06	.6	—	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	5.38	.00	.0	5.50	5.38	5.88	3.75	934	1.87	4.51	- 58.5	15.4	.00	.0	—	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Swensens Inc O	2.25	.00	.0	2.50	2.25	4.00	1.88	221	.69	.73	- 5.5	NE	.00	.0	—	fiscal	12-84	NC	NC	(2.0)	NE	(.48)	NE	11.4	- 16.8	(1.8)	NE	(.43)	NE
Taco Viva M	6.50	.13	2.0	6.63	6.25	7.50	4.66	441	1.29	1.31	- 1.5	18.6	.00	.0		6 mos.	11-84	5.6	5.7	.3	50.0	.08	33.3	12.2	17.3	.6	50.0	.17	30.8
TGI Friday's N	11.63	.50	4.5	11.75	11.00	13.13	7.88	307	.27	.91	- 70.3	17.9	.00	.0	—	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	0	.00	.14	-100.0	NE	.00	.0		9 mos.	09-84	2.8	27.3	(.1)	NC	(.07)	- 100.0	8.3	25.8	(.3)	NC	(.20)	- 100.0
Transworld N	32.50	- 1.00	- 3.0	33.50	32.00	37.63	24.50	5,951	1.82	2.46	- 26.0	10.4	.40	1.2	—	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	5.00	.00	.0	5.13	4.88	5.75	2.75	2,138	3.40	3.81	- 10.8	12.5	.28	5.6	—	3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants M	25.75	.75	3.0	25.88	24.88	26.88	13.25	2,162	3.26	4.74	- 31.2	19.5	.12	.5	—	fiscal	10-84	87.9	145.5	2.3	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations M	4.38	.25	6.1	4.50	3.88	7.38	2.13	1,283	3.62	4.08	- 11.3	NE	.00	.0	—	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	17.25	.00	.0	17.63	17.13	17.75	10.50	8,789	1.20	2.19	- 45.2	18.4	.21	1.2	—	fiscal	12-84	244.2	24.1	17.6	18.9	.24	20.0	939.1	31.3	68.7	24.5	.94	23.7
Wstn Steer O	9.00	- .50	- 5.3	10.50	9.00	12.00	9.00	24	.20	.46	- 56.5	15.8	.20	2.2	—	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	5.88	- .38	- 6.0	6.13	5.88	13.38	5.13	252	.56	1.02	- 45.1	15.9	.00	.0	—	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.75	- .13	- 4.3	3.00	2.75	6.00	2.63	683	.52	.84	- 38.1	NE	.10	3.6	—	9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels N	68.00	- 1.63	- 2.3	72.25	66.00	73.50	45.50	11,680	4.71	2.15	119.1	15.7	1.80	2.6	—	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns N	53.38	.25	.5	53.75	52.63	53.88	35.25	3,888	1.11	3.51	- 68.4	14.9	1.00	1.9	—	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	26.00	.88	3.5	26.13	25.13	26.13	12.94	1,696	.88	1.15	- 23.5	25.2	.09	.3	—	6 mos.	12-84	67.8	321.1	5.5	37.5	.28	33.3	115.7	256.0	11.3	31.4	.58	28.9
Ramada Inns N	7.75	- .25	- 3.1	8.00	7.63	8.25	5.13	6,397	1.72	2.39	- 28.0	59.6	.00	.0	—	fiscal	12-84	152.2	13.4	(2.1)	- 100.0	(.05)	- 100.0	600.2	4.9	4.7	11.9	.13	.0
Servico Inc M	19.25	.50	2.7	19.25	18.25	22.28	13.63	249	.72	.40	80.0	9.1	.00a	.0	—	9 mos.	09-84	48.9	24.7	3.4	385.7	.99	395.0	139.1	24.8	6.2	138.5	1.80	136.8
Sonesta Intl M	24.00	- 1.50	- 5.9	27.00	24.00	27.00	18.00	13	.09	.11	- 18.2	7.0	.40	1.7	—	fiscal	12-84	19.1	6.7	5.9	NE	3.83	NE	81.2	10.6	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev M	18.63	.88	4.9	19.50	17.75	22.63	13.50	3,216	5.36	3.18	68.6	11.2	.40	2.1	—	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	9.00	- .38	- 4.0	9.38	9.00	14.56	7.25	327	.69	1.27	- 45.7	NM	.48	5.3	—	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	79.63	2.63	3.4	80.13	77.00	81.13	45.25	3,661	1.09	2.09	- 47.8	65.3	1.20	1.5	—	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods O	2.13	.00	.0	2.25	2.00	3.13	1.13	374	1.60	.99	61.6	23.6	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	56.63	.88	1.6	57.50	56.00	60.63	47.00	4,170	.92	2.07	- 55.6	13.5	2.24	4.0	—	6 mos.	11-84	1569.4	2.6	55.6	- 31.9	1.23	- 28.1	2945.8	1.7	109.7	- 28.9	2.43	- 24.8
Grace W R N	41.25	.63	1.5	42.75	40.63	44.50	36.50	4,806	.99	.83	19.3	10.3	2.80	6.8	—	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart A	10.75	.00	.0	11.00	10.38	18.91	8.63	1,658	1.34	1.59	- 15.7	15.1	.00a	.0	—	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	31.50	1.13	3.7	31.88	30.50	31.88	24.13	895	.47	1.01	- 53.5	15.4	1.80	5.7	—	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	53.38	- 1.00	- 1.8	54.50	52.38	55.25	38.50	10,998	1.15	1.99	- 42.2	23.7	1.68	3.1	—	fiscal	12-84	2272.8	- 1.4	(43.1)	- 100.0	(.32)	- 100.0	7698.7	8.5	200.8	- 29.3	2.25	- 25.2
Pillsbury Co N	47.88	- 1.13	- 2.3	49.38	47.38	49.50	34.50	4,087	.94	1.31	- 28.2	10.9	1.56	3.3	—	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	12.13	- .38	- 3.0	12.25	11.75	15.25	10.50	378	.28	1.21	- 76.9	19.9	.23	1.9	—	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

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fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

C5150-5

'Whiz kid' Dennis Berkowitz establishes a dining empire
—Focus/F3-4

Mesquite innovator: Frisco's Tadich Grill
—Page 3

Atwater showcases Northwestern wines
—Focus/F12

Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

Vol. 19, No. 18 — Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year — April 29, 1985

Singles swing to new food-service beat

The Barwash: food and suds

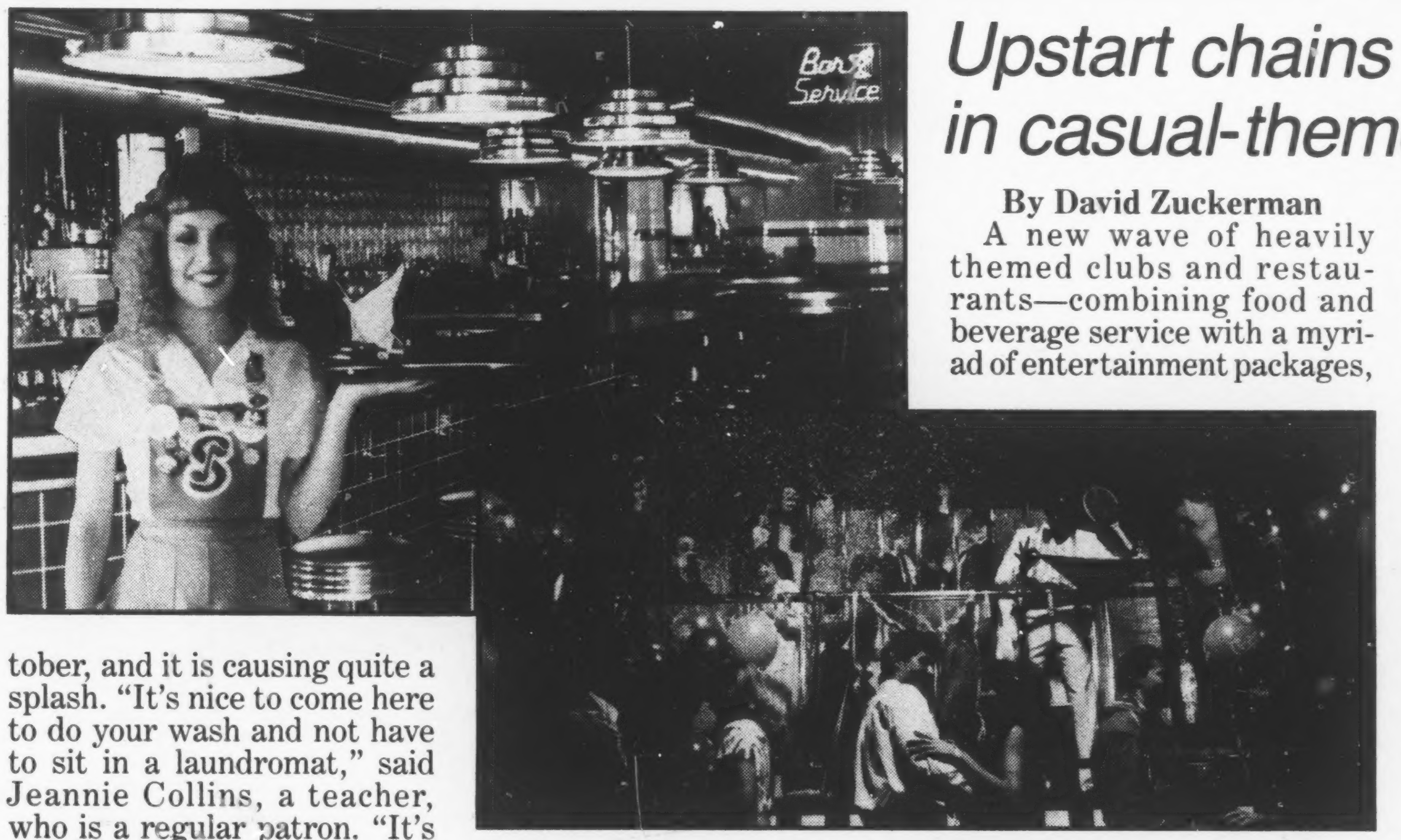
By Marilyn Alva

AUSTIN, Tex. — A captive audience is a bored and hungry one, according to two former college students here who opened an unusual business to cash in on their premise.

The captive audience they had in mind? Those poor souls stuck in coin laundries while their clothes wash and dry. To lighten their load, the entrepreneurial brothers devised a business plan calling for a combination laundromat and café, complete with beer and wine and all manner of "upscale" Italian deli foods.

The business is called the Barwash, open since last October, and it is causing quite a splash. "It's nice to come here to do your wash and not have to sit in a laundromat," said Jeannie Collins, a teacher, who is a regular patron. "It's

*(See **BARWASH**, page 59)*



Waitress at Studebaker's (top); dancing at Confetti (above).

Upstart chains create niche in casual-theme marketplace

By David Zuckerman

A new wave of heavily themed clubs and restaurants—combining food and beverage service with a myriad of entertainment packages, popular music and atmospheres charged with expectations—is sweeping the nation and taking an ever-increasing bite of the lucrative singles market.

While once-popular singles hangouts like T.G.I. Friday's, Bennigan's and Houlihan's have settled into the food-service mainstream, McFaddin Ventures, Studebaker's, Chevy's Diner, Juke Box Saturday Night and the Hard Rock Cafe—to name some of the most prominent—are winning the hearts and money of the unattached.

Driving the rapid development of those relatively new

*(See **SINGLES**, page 59)*

Smith, investors to acquire 80% of Perkins

By Howard Riell

MEMPHIS — A small group of private investors headed by former Diversifoods president Donald N. Smith has signed a letter of intent with Holiday Inns to purchase an 80% interest in the lodging chain's 312-unit Perkins family restaurant chain.

A Holiday Inns board member for the last four years, Smith plans to resign from the board to avoid a possible conflict of interest.

Smith, who would head Perkins, described the deal as "a joint venture with Holiday Inns and said the lodging giant still sees "some up side in Perkins." He added that he sees "a vast opportunity" and expressed hope the deal would be concluded by the end of May. He declined comment on details or plans "until the actual closing."

Though terms of the deal were not disclosed, industry analysts estimate the sale to be worth between $70 million and $75 million.

A Holiday Inns spokesman said the company expects to close the deal before June 30, the end of its second quarter. The spokesman added that the sale, still contingent on approval of its board as well as completion of a securities evaluation, would result in neither a material book gain nor loss.

Michael D. Rose, chairman and chief executive of Holiday Inns Inc., said that "the proposed transaction allows us to stay involved with [Perkins] yet permits us to focus even more closely on our principal hotel and hotel-casino business. Don Smith is well-known to our company, and we believe his leadership and expertise bodes well for the

*(See **SMITH**, page 59)*

1984 RESULTS:

Holiday Inns	**Operating income: $336.5 million** **Revenue: $1.8 billion**
Perkins	**Operating income: $10.15 million** **Revenue: $107 million**

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New contenders seek HoJo

Exeter, Continental enter fray; Hostage mulls LBO

By Peter Romeo

BOSTON — Exeter Equities, a real-estate holding company, and Continental Cos., a hotel-management company, have jointly made a bid for Howard Johnson Co., Exeter president Robert Friedlander has disclosed.

Reports have also surfaced that Howard Johnson chairman G. Michael Hostage is trying to put together a group to buy the company from Imperial Group PLC through a leveraged buyout.

Paul Dopp, a New York investor, is also attempting to form an investor group to buy the hotel and restaurant chain, according to one of the bidders.

In addition to Exeter and Dopp's group, the list of bidders includes Marriott Corp. and Riley Holdings, owner of an economy motel chain in Canada.

Servico Inc. and financier Saul Steinberg's Reliance Capital Group, which purchased Days Inns of America last year, have dropped out of the bidding, the sources said.

Imperial will announce the buyer on May 15, according to one of the bidders.

Exeter is comprised of several former Howard Johnson executives, including former second-in-command Borton (Skip) Sacks.

Continental Cos. is owned in part by Equitable Life Insurance. Besides operating hotels throughout the country, Continental is rolling out the Italian chain Ciga Hotels within the U.S.

G. Michael Hostage

Valle's completes liquidation; rebuilding starts

By Peter Romeo

WELLESLEY, Mass. — Valle's Steak House, the family restaurant chain based here, has been forced by creditors to sell all 32 of its stores.

President and new owner Arthur Hanson has purchased two units in partnership with Bob Simmons and one independently, and he has signed a contract to manage a third.

Hanson plans to rebuild the chain by dropping menu prices, making several operational changes and converting half the space of existing stores to a new concept.

"We should have a business in place that does $12 million to $14 million a year," he said.

Valle's had a pretax income of $2.2 million for the fiscal year ended March 31, reflecting the chain's decline following the death of founder Don Valle. With Valle's son, Richard Valle, at the helm, the chain began experimenting with 400-seat, rather than 250-seat, restaurants, and it loosened its grip on menu prices. Food costs rose as high as 39%, and the higher prices prevented the increase in volume needed to fill the larger restaurants, according to vice president of marketing Dan Davis.

In addition, Valle's moved into high-income markets, such as Palm Beach and Altamonte Springs, Fla., where its family-oriented, low-price concept had little appeal.

Unable to pay off a series of revolving loans, Valle's was forced to liquidate. Hanson took advantage of the situation to purchase the almost-defunct company through "a unique leveraged buyout," he said.

In addition to the four units owned or operated by Hanson, the only Valle's doing business under that name is the prototype in Portland, now owned by Don Valle's daughter.

'Hanson plans to rebuild the chain by dropping menu prices and making operational changes.'

Hanson, who served as president of Valle's during the five years before its liquidation, has already begun the turnaround by introducing new menus at his outlets in Springfield, Mass., Kitterly, Me., and Hartford, Conn. In line with Don Valle's original idea, the stores feature a luncheon menu rotated every weekday, with no entrée costing more than $4. At the same time, dinner menu prices were reduced and a line of pies was added.

The menu changes and, in particular, the addition of the luncheon menus streamlined operations.

Furthermore, the Kitterly unit now features a meat-to-go sales counter, where customers can purchase cuts of beef at 20% above Valle's cost plus the unit's average trim percentage. "It keeps our meat costs low because our purchasing power is stonger," commented Hanson.

The changes have already boosted sales by 10% to 15% at the three test outlets, according to Hanson. For instance, he said, the 200-seat Hartford store should take in up to $6 million this year.

To broaden Valle's customer mix beyond its current base of families and the elderly, Hanson plans to introduce a new concept at the Kitterly and Hartford outlets later this year.

S & A plans new seafood concept

By Mark Schoifet

DALLAS — Pillsbury's S&A Restaurant Corp. is planning limited expansion of a new grilled-seafood concept called Bay Street.

S&A, which operates Bennigan's and Steak & Ale, has been testing the concept for the past year at Charley's, a 6,000-sq.-ft. seafood dinnerhouse in the Dallas suburb of Addison. The company purchased Charley's in May 1984 and has been using it as the prototype for Bay Street.

Mike Jenkins, S&A president and chief executive, said the chain would open "a small number" of Bay Street restaurants during the fiscal year beginning June 1. He declined to disclose the sites and emphasized that the concept is still in the research and development stage.

"We think it is an excellent restaurant concept and one that has an awful lot of future in the marketplace," Jenkins said during an interview. "We think the fresh seafood, casual dining segment is one that will grow in the next several years."

Jenkins explained that the menu at Bay Street is still in the testing stages but that it would be similar to the one at Charley's. The average per-person dinner check is expected to be in the $12.50-$13 range, about the same as a typical Steak & Ale ticket.

Charley's, which seats 160 in the dining area, offers a set menu of seafood and shellfish plus a rotating daily list of specials indicated on table tents and a hanging blackboard. A recent Wednesday night menu included brook trout ($8.95), catfish ($9.25), Norwegian salmon ($15.95) and Atlantic swordfish ($16.95). Shellfish included steamed clams ($5.95) and Alaskan king crab legs ($15.95).

Mike Jenkins

Charley's has a casual theme decor. The interior is accented by a bar area featuring a mirrored backdrop with several shelves of liquor stacked to the ceiling. The bar area is illuminated by strips of tiny lights.

Bay Street is the first new concept for S&A since it established its J. J. Muggs gourmet burger division in 1982.

S&A

RESTAURANT CORP

Illegal Cuban shrimp flood U.S. markets

By Ken Rankin

WASHINGTON — Domestic shrimp prices dropped sharply recently in response to a surge of illegal imports from Cuba, U.S. shrimp industry representatives told Federal investigators.

Charging that the price of "top-count shrimp" fell to $6 in March—down 22% from levels earlier this year—officials at the United Shrimpers of America called for immediate Government action to protect the domestic fleet from Cuban "dumping."

In a statement filed with the Federal Trade Commission, the group alleged that the illegal shrimp are being diverted into this country through Mexico, and it promised to supply Government officials with "photographic proof that the Cuban fleet is unloading its shrimp in Mexican ports and receiving American dollars in the American market."

In a separate petition to the Department of Commerce, domestic shrimpers called for a "moritorium" of 90 to 120 days on all shipments of shrimp from Mexico pending a Federal investigation of the group's charges.

"The U.S. shrimp industry at the present time is in a fight for survival, and the immediate future looks grim," the domestic group told the Commerce Department. Although the shrimpers acknowledged that the industry's "problems are many," they said the "most pressing" one "is the importation of foreign shrimp, legal and illegal."

Blaming Federal officials at the National Marine Fisheries for ignoring evidence of illegally diverted Cuban shrimp, the United Shrimpers asked the Government to "stop these illegal loads of shrimp that cross our borders daily."

Although previous Federal probes had found no evidence supporting the group's charges, the domestic shrimpers argued it would be impossible for the Mexican fleet to harvest all the shrimp exported to the United States from that country.

COMMODITIES

Government has strong control over market prices

By Gary S. Friedman

The Reagan Administration remains staunch in its commitment to the concept of free trade. The recent talk with Japan over access to its telecommunications and agricultural markets shows its intention to raise the issue with our allies.

However, the Administration is still saddled with some rather obscure domestic agricultural programs passed during the Depression era, programs that would surprise most Americans if given the proper attention. By now the average citizen is acquainted with the huge amounts of cheese and other dairy products stored in a network of underground holding warehouses. Beyond that, he has little understanding to what degree the Government (and the agricultural producers) are involved in controlling the prices and access to market of most commodities.

The Department of Agriculture regulates more than 48 different markets for fruits, vegetables and "specialty crops" alone. That includes $5.7 billion worth of almonds, oranges, potatoes, kiwis, hops, raisins, prunes, mint oil, walnuts and other commodities to which the average American hardly gives any thought.

Through regulation—most often requested through a coalition of producers—the Government has been able to control the minimum size of limes that may reach a market, the color of kiwis and other factors that do not alter at all the nutritional value of the commodity. All such commodities that fail to meet the selection criteria during the handling process are removed from the primary market. That has created a booming byproduct market that thanks to the creativity of those concerned has put lemons in dishwashing liquid, spurred markets for frozen lime products, etc., and added an estimated 30% to 40% to the price of some commodities in the primary market.

The cost of all of the regulation, with the exception of the cost of the initial hearings, is picked up by an assessment on each commodity passing through the Federal, state or private inspection process. The one who pays the first out-of-pocket expense is the growers' association.

The issue here is not equity or the increased price that wholesalers, restaurants and consumers must pay for commodities. It is simply this: While our trade barriers are certainly more open than those of many of our major trading partners, the concept of free trade is still a hybrid one, reflecting different priorities at different times.

PRICE MOVEMENT AT A GLANCE

Cash Prices	4/17/85	Year Ago
Broilers, dressed "A" N.Y. lb.	$0.5313	$0.5721
Butter, AA Chgo lb.	$1.41½	$1.42¾
Eggs, large white Chgo dz.	$0.56-0.59	$1.06
Flour, HRW, KC cwt.	$9.65	$9.95
Pepper, black, N.Y. lb.	$1.78	$0.96
Pork Bellies, 12-14 lb., Mid-US, lb.	$0.57¼	$0.60
Potatoes, rnd white, 50 lb. f.o.b. Maine	$2.00	$3.37
Sugar, cane, raw, world, lb. f.o.b.	$0.0344	$0.0593

Source: *NRN* Research

Gainers beat losers 5-3, Stock Index up 0.4 pt.

NEW YORK — In a market confused by conflicting economic signals, the 89-issue *Nation's Restaurant News* Food-Service Operators Stock Index managed a 0.4-point gain for the week ended April 19, closing at 120.5.

Price-losing issues outnumbered price-winners, however, by 50 to 34, with 23 unchanged, on the full 107-stock listing.

The Dow Jones Industrials Average in the same week edged up 0.88, to 1,266.56. The Government's estimate of real gross national product growth for the first quarter was cut to a 1.3% rate from 2.1% during the week.

Winners Corp. led both the price-gainers and volume-surgers lists, up $2.50, to $8.38, on trading 437% heavier than the previous 12-week average. Takeover reports circulated, story on Page 2.

In the past 52 weeks the *NRN* Index has climbed from 95, outpacing the Dow rise from 1,158.

Other gainers included Fresher Cooker, up 38¢, to $2. Acapulco Restaurants, up 75¢, to $5.13, a new 52-week high. Good Taco, up 6¢, to 69¢. One Potato Two, up 13¢, to $1.50.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Winners Cp ______ N	437.0	Kapok Cp ______ A	132.4
Frisch's ______ A	250.0	SIS Cp ______ M	120.0
Intl King Tab ______ M	192.6	Pizza Inn ______ A	103.5
Old Fashion Fd ______ M	180.6	Hambrg Hamlet ______ O	100.0
Am Restaurants ______ O	160.0	Kelly-Johnston ______ M	98.1

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Winners Cp ______ N	42.6	Brock Hotel Cp .... N	9.1
Fresher Cooker ______ O	23.1	Allegheny Bev .... M	8.7
Acapulco Rests ______ M	17.1	Esteban Foods .... O	5.9
Good Taco ______ M	10.0	Fuddruckers Inc .... M	5.8
1 Potato 2 ______ O	9.1	Wstn Steer .... O	5.6

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Calibre Cp .... M	- 33.3	RAX Restaurants .... M	- 7.5
Kelly-Johnston .... M	- 27.3	Max Erma's .... O	- 7.1
Nankin Express .... O	- 11.1	Victoria Stations .... M	- 5.7
Flakey Jakes .... M	- 10.0	SIS Cp .... M	- 5.6
Ritzys G D .... M	- 8.3	Garcias Scot .... M	- 5.4

Stock Market

Company and Market	Price							Volume			
	4-19-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change
-	$	$	%	$	$	$	$	(100)	%	%	%
Food-Service Operators											
A&M Food Svcs ______ M	5.50	.00	.0	5.50	4.75	7.50	3.50	824	2.31	1.39	66.2
Acapulco Rests ______ M	5.13	.75	17.1	5.13	4.50	5.13	3.50	207	.83	.61	36.1
Am Restaurants ______ O	3.88	.00	.0	4.13	3.88	6.00	2.38	288	1.17	.45	160.0
Assoc Hosts ______ M	14.13	.75	5.6	14.25	13.38	17.13	10.88	1,597	3.61	2.62	37.8
Beefsteak Char ______ A	2.25	.00	.0	2.63	2.25	4.00	1.75	495	.87	.69	26.1
Benihana Natl ______ M	20.50	.13	.6	21.13	20.38	21.75	9.63	543	1.87	4.36	- 57.1
Bob Evans Farms ______ M	20.50	.00	.0	20.50	20.25	20.50	14.75	2,282	1.39	1.18	17.8
Calibre Cp ______ M	.75	- .38	- 33.3	1.13	0.75	6.50	.63	79	.26	.37	- 29.7
Calny Food ______ M	12.25	.63	5.4	12.25	11.50	13.25	7.25	838	1.85	2.87	- 35.5
Capt Crab ______ M	2.38	- .13	- 5.0	2.50	2.25	5.38	1.38	1,950	1.27	1.93	- 34.2
Carrols Cp ______ N	9.50	- .25	- 2.6	9.88	9.50	11.50	7.63	238	.31	.97	- 68.0
Chi-Chi's ______ M	10.13	- .38	- 3.6	10.50	10.13	18.25	10.00	6,591	2.44	3.62	- 32.6
Chili's Inc ______ M	27.25	- .50	- 1.8	27.50	26.75	28.88	12.75	1,284	2.86	2.13	34.3
Churchs Fr Ch ______ N	18.25	- .31	- 1.7	18.75	18.00	19.25	11.38	3,227	.86	1.66	- 48.2
Collins Foods ______ N	21.75	- .50	- 2.2	23.00	21.63	23.00	10.00	1,325	1.01	1.28	- 21.1
Concept Dev ______ O	12.50	.25	2.0	13.00	12.50	16.50	5.75	1,351	2.61	1.53	70.6
Consol Prdts ______ M	4.88	.00	.0	5.13	4.75	6.38	4.63	163	.46	.36	27.8
Consul Restaurant ______ M	5.38	.13	2.4	5.38	5.13	13.50	4.50	522	1.15	2.07	- 44.4
Cracker Barrel ______ M	13.75	- .25	- 1.8	14.50	13.75	23.50	11.75	144	.40	1.12	- 64.3
Cucos Inc ______ O	5.50	- .25	- 4.3	6.00	5.50	5.75	2.75	38	.22	.66	- 66.7
Diversifoods ______ M	9.63	- .25	- 2.5	9.88	9.50	16.75	8.00	8,273	2.45	6.96	- 64.8
DLites Of Amer ______ M	13.38	- .13	- .9	13.50	13.13	15.50	10.88	751	1.49	3.45	- 56.8
Dunkin Donuts ______ M	29.13	1.25	4.5	29.13	27.75	29.13	19.50	478	1.01	2.54	- 60.2
El Chico ______ M	10.13	- .25	- 2.4	10.38	9.88	10.88	7.25	490	1.05	1.68	- 37.5
El Torito Rest ______ N	15.13	- .13	- .8	15.38	14.75	15.38	9.63	496	.45	.93	- 51.6
Fast Food Oper ______ O	.69	.00	.0	0.75	0.69	1.63	.63	313	.53	.55	- 3.6
Flakey Jakes ______ M	6.75	- .75	- 10.0	7.50	6.50	9.13	5.13	1,752	2.51	2.94	- 14.6
Fresher Cooker ______ O	2.00	.38	23.1	2.25	1.63	6.75	1.50	282	1.31	.67	85.5
Frisch's ______ A	20.38	.38	1.9	20.50	20.13	20.88	12.38	276	.63	.18	250.0
Fuddruckers Inc ______ M	9.13	.50	5.8	9.50	8.63	15.25	8.50	3,671	5.64	4.08	38.2
Garcias Scot ______ M	2.19	- .13	- 5.4	2.31	2.06	6.38	1.63	816	1.36	1.70	- 20.0
Good Taco ______ M	.69	.06	10.0	0.75	0.63	3.63	.25	129	.43	2.75	- 84.4
Hambrg Hamlet ______ O	14.25	.00	.0	15.00	14.25	14.50	9.75	26	.36	.18	100.0
Hungry Tiger ______ M	5.25	- .25	- 4.5	5.50	5.00	7.00	3.63	590	2.05	2.24	- 8.5
Intl Dairy Queen ______ O	42.50	.00	.0	44.00	42.50	50.50	38.00	22	.11	.28	- 60.7
Intl King Tab ______ M	20.50	- .50	- 2.4	20.50	19.00	24.75	12.72	3,043	10.88	3.65	192.6
JB's Rest ______ M	14.75	.50	3.5	14.88	13.88	14.75	7.00	839	2.41	4.61	- 47.7
Jerrico Inc ______ M	18.13	.00	.0	18.25	17.63	19.50	13.00	2,695	1.71	3.53	- 51.6
Kapok Cp ______ A	3.00	.13	4.3	3.13	2.75	3.88	1.13	531	2.37	1.02	132.4
Karcher Carl ______ M	17.88	- .38	- 2.1	18.00	17.63	29.63	13.50	1,065	1.52	2.52	- 39.7
Kelly-Johnston ______ M	.50	- .19	- 27.3	0.63	0.44	7.13	.44	5,422	6.36	3.21	98.1
Luby's Cafe ______ N	27.50	- .50	- 1.8	28.00	27.25	32.00	23.63	822	.68	.38	78.9
Marcus Corp ______ M	17.00	.38	2.3	17.25	16.50	17.13	11.88	136	.27	.34	- 20.6
Marriott Corp ______ N	85.00	- 1.50	- 1.7	87.75	84.50	87.75	60.00	1,526	.59	.69	- 14.5
Maverick Rest ______ O	2.50	.00	.0	2.63	2.50	6.25	2.25	122	.25	.29	- 13.8
Max Erma's ______ O	3.25	- .25	- 7.1	3.75	3.25	5.88	2.50	31	.17	.79	- 78.5
McDonald's Cp ______ N	60.88	1.00	1.7	61.25	59.25	62.38	40.84	6,240	.73	1.07	- 31.8
McFaddin Ventures ______ M	11.25	.00	.0	11.25	11.13	12.25	9.63	556	1.14	.58	96.6
Morrison Inc ______ M	19.38	- .25	- 1.3	19.63	19.38	19.63	13.25	1,598	1.20	1.75	- 31.4
Mr Steak ______ O	2.75	.00	.0	2.88	2.75	3.13	1.13	464	.97	1.14	- 14.9
Nankin Express ______ O	1.00	- .13	- 11.1	1.25	1.00	2.50	1.00	247	1.10	.81	35.8
Nathans ______ O	3.75	.00	.0	4.00	3.75	4.50	1.78	60	.27	1.08	- 75.0
Natl Pizza ______ M	9.25	.00	.0	9.50	9.00	9.75	7.50	32	.06	.19	- 68.4
Naugles Inc ______ M	5.50	- .13	- 2.2	5.75	5.38	10.13	4.75	1,607	3.60	5.82	- 38.1
1 Potato 2 ______ O	1.50	.13	9.1	1.75	1.38	12.25	1.25	325	1.48	1.31	13.0

Financial Update

Company and Market	P/E	Indicated Div. Rate		Latest Report			Latest Quarter						Year-to-Date					
				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Ratio	Amt.	Yld	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																		
A&M Food Svcs ______ M	17.2	.00	.0	.....	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests ______ M	17.7	.00	.0	.....	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants ______ O	29.8	.00	.0		fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts ______ M	17.0	.12	.8	.....	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char ______ A	NE	.00	.0	.....	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Benihana Natl ______ M	22.3	.00	.0	.....	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms ______ M	19.0	.30	1.5	.....	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp ______ M	NE	.00	.0	.....	3 mos.	10-84	3.5	9.4	(.7)	NE	(.22)	NE	3.5	9.4	(.7)	NE	(.22)	NE
Calny Food ______ M	20.1	.16	1.3		9 mos.	11-84	13.6	32.0	.9	28.6	.19	18.8	38.6	27.4	2.3	43.8	.50	22.0
Capt Crab ______ M	NE	.00	.0	.....	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp ______ N	12.8	.07	.7	.....	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's ______ M	16.1	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc ______ M	40.1	.00	.0	.....	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch ______ N	16.2	.40	2.2	.....	fiscal	12-84	182.4	20.2	14.5	79.0	.38	137.5	533.2	17.3	42.6	34.8	1.13	36.1
Collins Foods ______ N	16.5	.16	.7	.....	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev ______ O	16.2	.00a	.0	.....	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts ______ M	13.9	.08	1.6	.....	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant ______ M	NE	.00	.0	.....	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel ______ M	16.6	.14	1.0	.....	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc ______ O	42.3	.00	.0	.....	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods ______ M	17.8	.34	3.5	.....	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer ______ M	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts ______ M	14.9	.32	1.1	.....	3 mos.	01-85	140.7	589.7	2.6	13.0	.54	17.4	140.7	589.7	2.6	13.0	.54	17.4
El Chico ______ M	13.0	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest ______ N	15.6	.00	.0	.....	fiscal	12-84	61.1	13.6	2.1	110.0	.19	35.7	250.1	18.7	11.1	42.3	.97	42.6
Fast Food Oper ______ O	9.8	.00	.0	.....	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes ______ M	NE	.00	.0	.....	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Fresher Cooker ______ O	NE	.00	.0		fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's ______ A	17.3	.22	1.1	.....	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc ______ M	NC	.00	.0	.....	fiscal	12-84	7.6	204.0	.0	NC	.00	- 100.0	24.5	145.0	.0	- 100.0	.00	- 100.0
Garcias Scot ______ M	NE	.00	.0	.....	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ______ M	NE	.00	.0	.....	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet ______ O	7.7	.00	.0	.....	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger ______ M	27.6	.00	.0	.....	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen ______ O	11.7	.00	.0		3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab ______ M	15.3	.00a	.0	.....	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest ______ M	18.0	.16	1.1	.....	3 mos.	12-84	18.7	41.7	.6	.0	.17	6.3	18.7	41.7	.6	.0	.17	6.3
Jerrico Inc ______ M	13.1	.12	.7	.....	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp ______ A	4.7	.00	.0	.....	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl ______ M	10.7	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston ______ M	NE	.00	.0	.....	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe ______ N	18.1	.54	2.0	.....	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp ______ M	11.0	.28	1.6	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp ______ N	17.0	.54	.6		fiscal	12-84	1122.2	18.3	43.8	41.3	1.47	32.4	3524.9	16.1	139.8	21.4	5.01	20.7
Maverick Rest ______ O	31.3	.00	.0	.....	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's ______ O	NE	.00	.0	.....	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp ______ N	13.9	.82	1.3	.....	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures ______ M	16.5	.00	.0	.....	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc ______ M	12.9	.48	2.5		9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak ______ O	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express ______ O	NE	.00	.0	.....	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans ______ O	15.0	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza ______ M	10.3	.00	.0	.....	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc ______ M	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
1 Potato 2 ______ O	30.0	.00	.0	.....	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

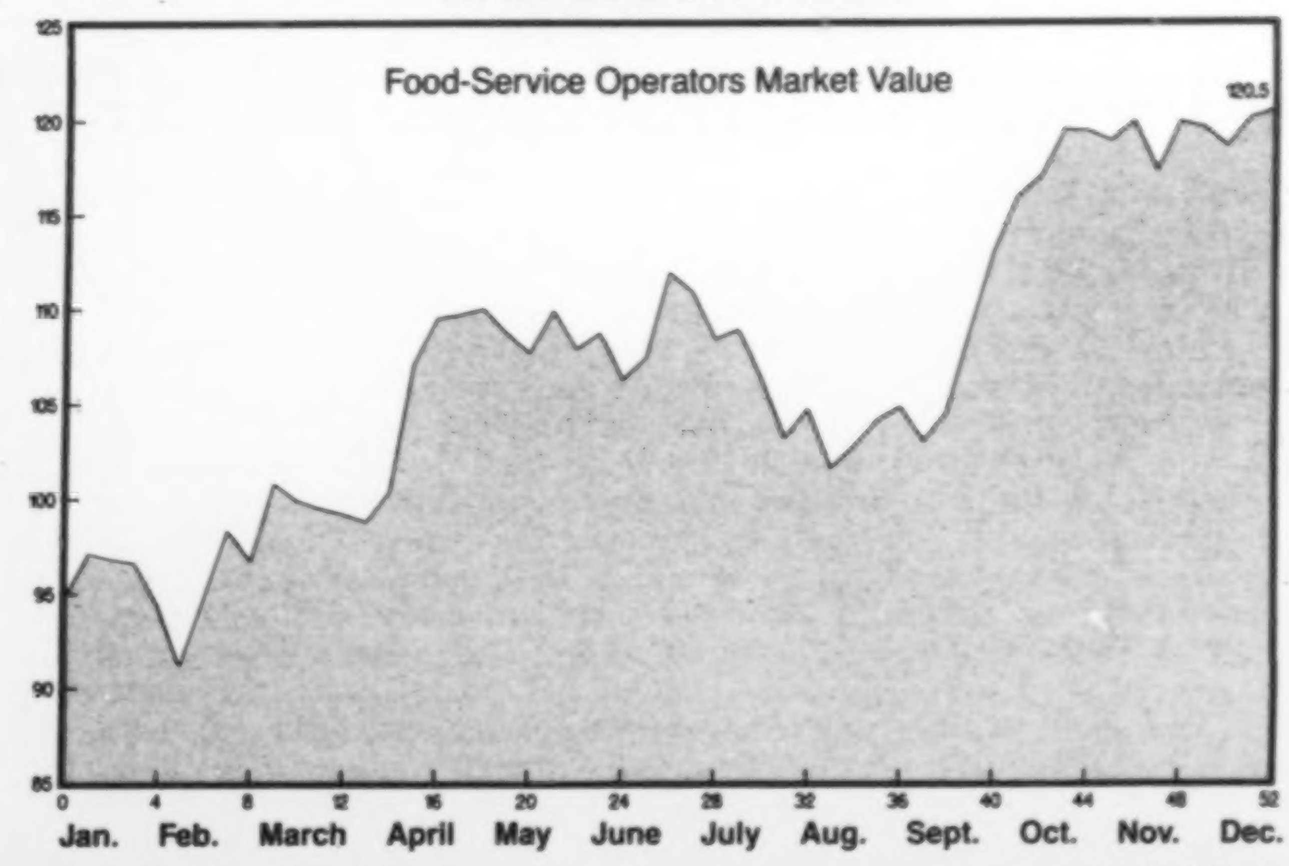
NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

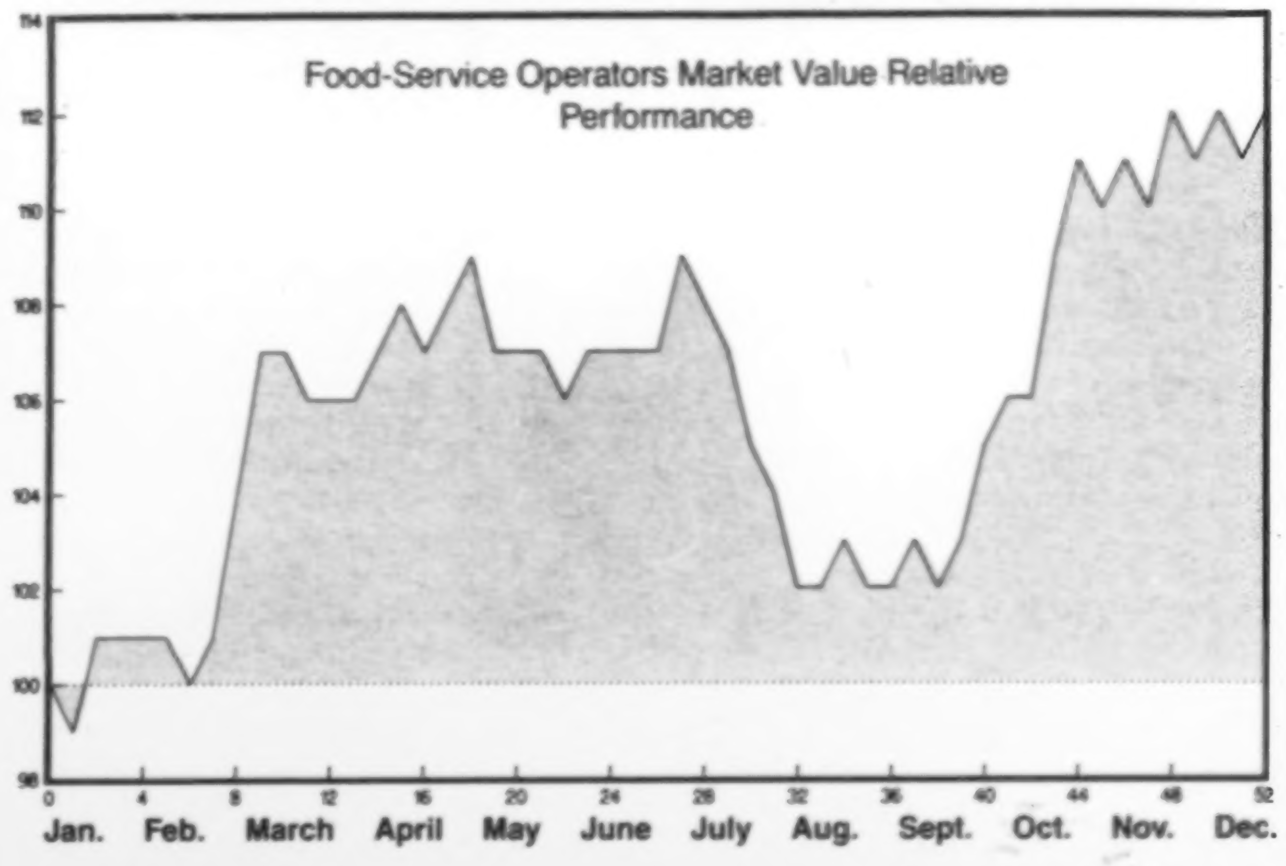
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



	Stock Market											Financial Update																	
	Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
	4-19-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Old Fashion Fd M	5.00	.00	.0	5.00	4.50	6.25	4.00	120	.86	.33	160.6	10.6	.00	.0		9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet M	7.13	.00	.0	7.13	7.00	8.25	5.88	794	2.14	5.70	- 62.5	12.7	.13	1.8	—	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest M	.38	.00	.0	0.44	0.31	2.88	.25	2,114	2.45	6.00	- 59.2	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	20.50	- .25	- 1.2	20.63	19.75	24.25	16.50	921	1.52	1.84	- 17.4	11.8	.60	2.9	—	6 mos.	12-84	48.4	8.3	3.0	30.4	.50	28.2	94.8	10.9	5.7	54.1	.95	53.2
Pizza Inn A	8.88	.00	.0	9.88	8.63	12.75	6.88	699	2.30	1.13	103.5	17.1	.08	.9	—	fiscal	12-84	50.0	33.3	(.9)	- 100.0	(.29)	- 100.0	185.6	24.6	1.6	- 55.6	.52	- 54.8
Po-Folks M	10.00	.13	1.3	10.13	9.88	16.63	8.75	377	.85	.89	- 4.5	13.9	.00	.0	—	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys N	12.75	- .38	- 2.9	13.13	12.50	22.88	11.50	574	.60	2.83	- 78.8	7.5	.40	3.1	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	2.75	.00	.0	2.88	2.75	4.63	2.38	130	.39	.91	- 57.1	NE	.00	.0	—	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
RAX Restaurants M	9.25	- .75	- 7.5	9.75	9.00	16.38	8.00	517	.77	.91	- 15.4	22.6	.00	.0	—	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	8.13	.13	1.6	8.13	7.75	8.88	5.38	112	.40	.76	- 47.4	14.8	.00	.0	—	fiscal	12-84	34.6	- 2.8	.5	- 44.4	.20	- 47.4	132.4	- 6.2	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	13.75	- .50	- 3.5	14.00	13.25	16.50	9.00	329	1.42	1.31	8.4	15.4	.00	.0	—	fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzys G D M	2.75	- .25	- 8.3	3.00	2.75	7.25	1.75	270	.52	1.10	- 52.7	NE	.00	.0		fiscal	12-84	3.3	37.5	(2.7)	NC	(.52)	- 100.0	13.9	63.5	(4.3)	NE	(.83)	NE
Rusty Pelican M	16.00	.25	1.6	16.13	15.75	18.25	11.00	163	.58	1.12	- 48.2	21.3	.00	.0	—	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	16.75	.00	.0	16.75	16.25	17.75	11.25	119	.18	1.42	- 87.3	32.8	.00	.0	—	fiscal	12-84	NC	NC	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp N	28.50	- .13	- .4	30.00	28.50	35.50	27.00	1,739	1.33	1.80	- 26.1	11.2	.52	1.8	—	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef M	7.50	.25	3.4	7.50	7.00	9.00	6.75	83	.66	.88	- 25.0	12.3	.00	.0	—	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley M	8.88	- .13	- 1.4	9.00	8.75	11.00	6.50	856	2.35	6.16	- 61.9	4.6	.00	.0	—	fiscal	12-84	17.9	- 1.6	2.4	NE	.59	- 71.5	66.2	- 9.3	7.7	NE	1.94	- 9.8
Shoney's Inc M	29.00	.50	1.8	29.25	28.00	29.00	16.22	1,807	.64	1.66	- 61.4	25.4	.15	.5	—	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	14.00	- .25	- 1.8	14.25	13.75	16.59	11.00	62	.11	1.15	- 90.4	11.2	.00	.0	—	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp M	4.25	- .25	- 5.6	5.00	4.00	7.75	3.25	188	1.21	.55	120.0	NE	.00	.0	—	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl M	19.50	.50	2.6	20.25	18.75	20.25	9.50	871	1.26	1.00	26.0	14.0	.00	.0	—	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	10.50	.00	.0	10.63	10.13	12.50	8.00	408	1.49	1.94	- 23.2	11.3	.06	.6	—	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	5.50	.13	2.3	5.63	5.25	5.88	3.75	2,335	4.68	4.53	3.3	15.7	.00	.0	—	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Swensens Inc O	2.38	.13	5.6	2.50	2.25	3.75	1.88	156	.49	.73	- 32.9	NE	.00	.0		fiscal	12-84	NC	NC	(2.0)	NE	(.48)	NE	11.4	- 16.8	(1.8)	NE	(.43)	NE
Taco Viva M	6.38	- .13	- 1.9	6.75	6.38	7.50	4.66	460	1.34	1.34	.0	18.8	.00	.0		9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	11.50	- .13	- 1.1	12.38	11.50	13.13	7.88	977	.86	.83	3.6	17.7	.00	.0	—	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	2	.01	.13	- 92.3	NE	.00	.0	—	9 mos.	09-84	2.8	27.3	(.1)	NC	(.07)	- 100.0	8.3	25.8	(.3)	NC	(.20)	- 100.0
Transworld N	33.13	.63	1.9	33.63	32.25	37.63	24.50	5,180	1.58	2.38	- 33.6	10.5	.40	1.2	—	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	4.88	- .13	- 2.5	5.00	4.75	5.75	2.75	678	1.08	3.86	- 72.0	12.2	.28	5.7	—	3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants M	24.88	- .88	- 3.4	25.25	24.63	26.88	13.25	1,477	2.22	4.73	- 53.1	18.8	.12	.5	—	fiscal	10-84	87.9	145.5	2.9	52.6	.45	40.6	242.3	158.3	8.7	81.3	1.32	55.3
Victoria Stations M	4.13	- .25	- 5.7	4.13	3.75	7.38	2.13	1,438	4.05	4.24	- 4.5	NE	.00	.0	—	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	16.63	- .63	- 3.6	17.50	16.38	17.75	10.59	7,409	1.01	1.99	- 49.2	17.7	.21	1.3	—	fiscal	12-84	244.2	24.1	17.6	18.9	.24	20.0	939.1	31.3	65.7	24.5	.94	23.7
Wstn Steer O	9.50	.50	5.6	10.50	9.50	12.00	9.00	51	.42	.46	- 8.7	16.7	.20	2.1	—	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	8.38	2.50	42.6	8.75	6.00	13.38	5.13	3,987	8.86	1.65	437.0	22.6	.00	.0	—	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	3.00	.25	9.1	3.25	2.75	5.75	2.63	1,230	.93	.86	8.1	NE	.10	3.3	—	9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels N	67.13	- .88	- 1.3	68.50	66.00	73.50	45.50	4,159	1.68	2.20	- 23.6	15.5	1.80	2.7	—	fiscal	12-84	181.7	49.2	46.0	NE	1.77	88.3	686.6	12.3	114.0	32.7	4.33	35.3
Holiday Inns N	53.13	- .25	- .5	53.50	51.38	53.88	35.25	16,500	4.72	3.11	51.8	14.8	1.00	1.9	—	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	27.13	1.13	4.3	28.38	26.25	28.38	13.50	1,035	.54	1.04	- 48.1	26.3	.09	.3	—	6 mos.	12-84	67.8	321.1	5.5	37.5	.28	33.3	115.7	256.0	11.3	31.4	.58	28.9
Ramada Inns N	8.00	.25	3.2	8.00	7.38	8.25	5.13	10,364	2.79	2.38	17.2	61.5	.00	.0	—	fiscal	12-84	152.2	13.4	(2.1)	- 100.0	(.05)	- 100.0	600.2	4.9	4.7	11.9	.13	.0
Servico Inc M	19.50	.25	1.3	19.75	18.50	22.28	13.63	278	.80	.42	90.5	10.8	.00a	.0		fiscal	12-84	42.8	8.4	.1	- 90.9	.00	- 100.0	181.9	20.5	6.3	70.3	1.80	66.7
Sonesta Intl M	24.00	.00	.0	25.50	24.00	27.00	18.00	2	.01	.09	- 88.9	7.0	.40	1.7	—	fiscal	12-84	19.1	6.7	5.9	NE	3.83	NE	81.2	10.6	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev M	20.25	1.63	8.7	21.38	18.50	22.63	13.50	2,920	4.87	3.19	52.7	12.2	.40	2.0	—	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	8.75	- .25	- 2.8	9.13	8.25	14.31	7.25	1,231	2.59	1.33	94.7	NM	.48	5.5	—	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	80.00	.38	.5	80.50	79.00	81.13	45.25	3,367	1.00	1.70	- 41.2	65.6	1.20	1.5	—	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods O	2.25	.13	5.9	2.50	2.13	3.13	1.13	229	.98	.93	5.4	25.0	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	56.13	- .50	- .9	57.50	55.88	60.63	47.75	5,127	1.16	2.06	- 43.7	33.2	2.24	4.0		9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	40.38	- .88	- 2.1	41.63	40.25	44.50	36.50	3,605	.74	.82	- 9.8	10.0	2.80	6.9	—	fiscal	12-84	1830.8	4.4	59.1	13.0	1.22	2.5	6727.8	8.2	195.6	27.0	4.02	26.8
Horn & Hardart A	10.25	- .50	- 4.7	10.88	10.00	18.91	8.63	699	.57	1.33	- 57.1	14.4	.00a	.0	—	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	31.00	- .50	- 1.6	31.50	30.63	31.88	24.13	448	.24	.85	- 71.8	15.1	1.80	5.8	—	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	52.13	- 1.25	- 2.3	53.50	51.88	55.25	39.25	9,299	.97	1.90	- 48.9	23.2	1.68	3.2	—	fiscal	12-84	2272.8	- 1.4	(43.1)	- 100.0	(.32)	- 100.0	7698.7	8.5	200.8	- 29.3	2.25	- 25.2
Pillsbury Co N	46.75	- 1.13	- 2.3	48.00	45.88	49.50	34.50	3,261	.75	1.11	- 32.4	10.6	1.56	3.3	—	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	11.75	- .38	- 3.1	11.88	11.50	15.25	10.50	198	.18	1.00	- 82.0	19.3	.23	2.0	—	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

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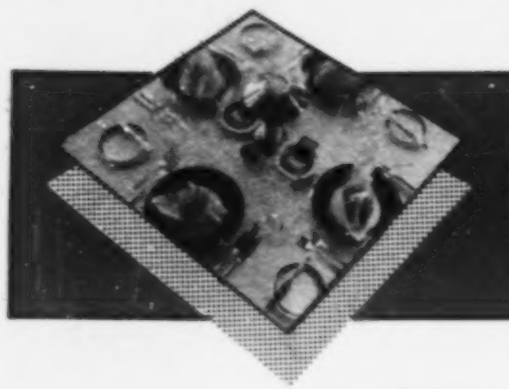

Fine Dining Hall of Fame: NRN profiles the winners —Focus/F3-20

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Soft-shelled crabs surge in popularity —Page 13

Nation's Restaurant News®

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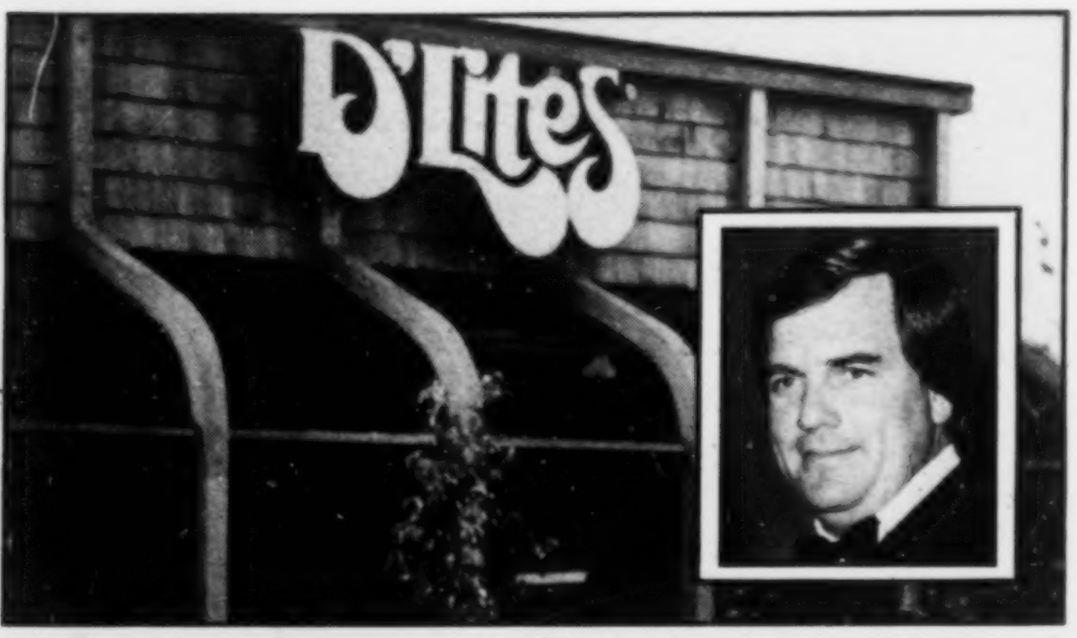


While enjoying strong sales, D'Lites' expansion plans are nevertheless meeting with increased skepticism by industry analysts. Inset: chain founder Douglas Sheley.

Healthy segment ill?

Problems mount in young fast-food niche

By Richard Martin

Trouble and controversy are starting to hound the so-called healthy fast-food segment even before it gets off the ground.

Louisville, Ky.-based Fresher Cooker, the nonfrying, burgerless fast-food chain some describe as a microwave "cafeteria," is mired in financial losses and image problems.

Bill Calhoon, who built the Skinny Haven chain in southern California based on a low-calorie pitch to dieters, is refining his limited-appeal concept after watching annual sales drop by more than 12%, to $15 million, in the last two years.

Skepticism about the expansion plans of 23-unit D'Lites of Atlanta is growing on Wall Street and within the industry. One analyst predicted that it will face stiff competition in coming months from Wendy's, which has started what could be interpreted as a competitively pre-emptive rollout of high-fiber burger buns, plain baked potatoes and expanded bars offering fruit and salad with low-calorie dressings.

*(See **HEALTHY** page 75)*

McD 1st in U.S. to get new Coke

***NRN* Special Report**

McDonald's is expected to be the nation's first restaurant chain to offer the *new* Coca-Cola when the reformulated fountain syrup is rolled out later this month.

Atlanta-based Coca-Cola Co. began shipping the new syrup to all wholesalers on April 23. But because of McDonald's high-volume usage, the burger giant is expected to be the first in the industry to feature the revamped cola.

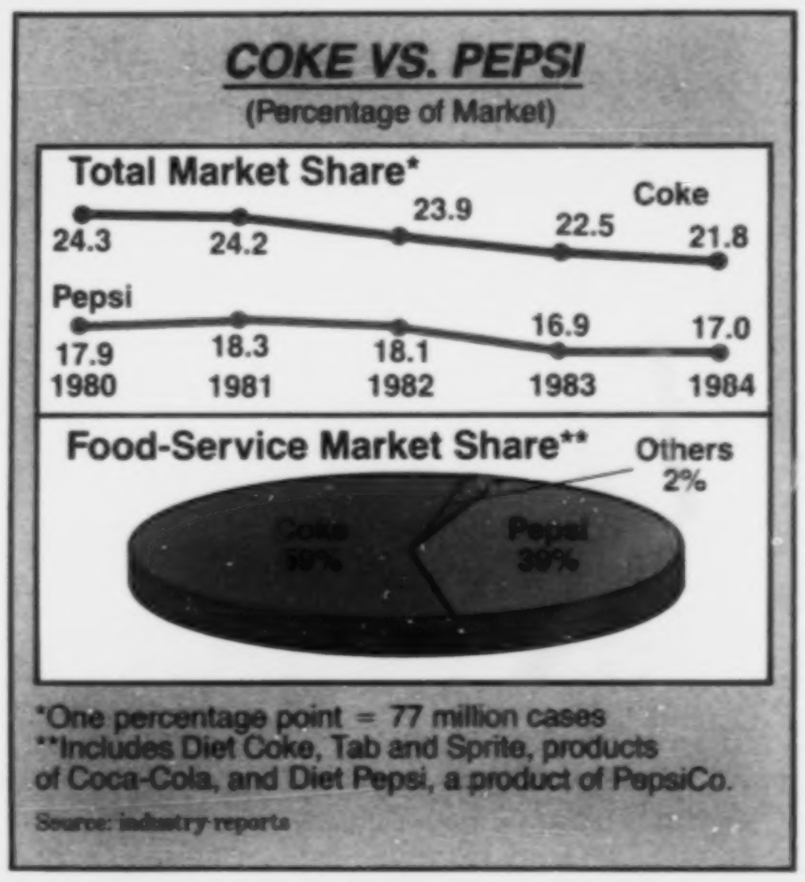
Coke said it would bolster the syrup rollout with point-of-sale advertising designed to inform restaurant customers that "the new Coke is here."

Coke's surprise decision to reformulate its signature brand after 99 years is looked upon with great interest by the food-service industry, but few chain executives said the change would have any effect on customer counts or soft-drink contracts.

Coke, Diet Coke, Tab and other Coca-Cola products account for about 60% of overall fountain sales. Pepsi, Diet Pepsi and other drinks produced by the Purchase, N.Y.-based PepsiCo account for about 40%.

McDonald's is the largest retail user of Coke in the world. Kentucky Fried Chicken, Hardee's, Big Boy, Denny's and Red Lobster also

*(See **COKE**, page 75)*



COKE VS. PEPSI

(Percentage of Market)

*One percentage point = 77 million cases

**Includes Diet Coke, Tab and Sprite, products of Coca-Cola, and Diet Pepsi, a product of PepsiCo.

Source: industry reports

Bennigan's launches extensive new menu

By Mark Schoifet

DALLAS — S&A Restaurant Corp. is rolling out a new menu at Bennigan's in an attempt to offset a drop in liquor sales at the 179-unit casual-restaurant chain. The colorful new menu contains several new food items and prominently lists six "mocktails"—nonalcoholic cocktails.

At the same time, S&A—a unit of Pillsbury—is moving to reposition its fledgling J. J. Muggs gourmet burger operation, expand a new grilled seafood concept called Bay Street and test some new menu items at its flagship Steak & Ale chain.

New menu items at Bennigan's include croissant sandwiches, mini-pizzas, mini-burgers, a barbecued chicken sandwich and a Cajun-style burger. Mocktails, such as a strawberry piña colada without rum, are listed on the in-

*(See **BENNIGAN'S**, page 12)*

Croissants

Portion of Bennigan's menu listing croissant offerings.

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Ruby's: New menus fortnightly

N.Y. café attracts patrons with regional specialties

By Marilyn Alva

NEW YORK — Every two weeks Miss Ruby's Café presents another opening, another show. Last November the restaurant in the Chelsea section of Manhattan opened with a "Cross Country Sampler" followed by a production from the South called "Creole & Cajun," which in turn gave way to a medley from New Mexico. An early hit was an offering from the Midwest.

When one considers that astute New Yorkers are now thinking of restaurants as the new nightclubs of the 1980's, it follows as no surprise that a restaurant such as Miss Ruby's Café changes acts frequently enough to keep the interest of a fickle audience.

Ruth Bronz (center), owner and chief chef of Miss Ruby's Café, located in the Chelsea section of Manhattan.

What Ruth Bronz, the leading lady of this restaurant, does every two weeks is to produce an entirely new menu, revolving around a different American regional cuisine, using the same cast of characters—a talented pastry chef, a determined maître d', the same bright-eyed waiters and four young assistant chefs

*(See **RUBY'S**, page 14)*

Days Inns mulls selling restaurant holdings

ATLANTA — Days Inns of America said it would soon decide on a property-by-property basis whether to retain, sell or enlist outside management for its 239 restaurants.

"We have some big plans for our restaurants. We should be making an announcement soon," said a spokesman for the nation's largest economy motel chain.

The restaurants include 185 Tastyworld and 41 Daybreak coffee shops, 3 cafeterias and 10 specialty dinnerhouses. All are located in or adjacent to Days Inns or Days Lodges, an early version of the all-suites lodging concept.

Days noted in a recent proxy that, "while restaurant service continues to be an attractive amenity for guests at some locations, the costs associated with the service continue to escalate."

Days said at the time that it would explore alternate means of providing that service "where applicable."

It also indicated that it would serve liquor in downtown and airport motels, breaking late founder Cecil Day's rule that no Days Inn would ever serve alcoholic beverages.

Day, along with several of the chain's first franchisees, was a staunch Southern Baptist.

The changes in food-service operations are part of a plan by Days' new owner, Reliance Capital Group, to sell off the chain's properties while maintaining management contracts for the motels.

The program calls for Reliance to sell 118 of the 127 motels owned by Days Inns at the time Cecil Day's family sold the chain to Reliance for about $618 million. The sale was completed in late 1984.

Twenty Days Inns were recently sold for $98 million to a partnership formed by Integrated Resources Inc. of New York.

Reliance has also indicated that it will accelerate expansion of the chain by franchising more properties. Days added only three franchises in 1984. Reliance expects to add 95 by the end of 1985.

With that addition, Days Inns will consist of 9 company-owned motels, 43 properties managed by Days and 288 franchises, for a total of 340 motels.

Several lodging and food-service executives identified Reliance as one of the bidders for Howard Johnson Co. Days has little representation in New England, where Howard Johnson has a high concentration of motels. The executives said that Reliance has since dropped out of the bidding.

Days Inns reported a net income of $13 million for the fiscal year ended Sept. 30, 1984.

Reliance is owned in large part by Wall Street financier Saul Steinberg.

Golden Nugget shifts Hilton takeover battle to court

By Peter Romeo

LAS VEGAS, Nev. — Golden Nugget has shifted its struggle to acquire Hilton Hotels Corp. into Federal Court, seeking an injunction that would in effect prevent Hilton from adopting antitakeover measures at its May 6 stockholders meeting.

Golden Nugget filed a lawsuit charging that Hilton and several of its executives in an April 5 proxy had misled shareholders about the purpose of the "shark-repellent" measures.

Golden Nugget asked in the suit that Hilton be enjoined from further solicitation of proxies and ordered to invalidate the proxies already in circulation.

"We don't believe that these hastily proposed amendments regarding important stockholders' rights should be presented to stockholders without a full and fair explanation of their effect and impact," said Golden Nugget chairman Stephen A. Wynn.

The lawsuit also seeks to prevent Hilton chairman Barron Hilton from voting the 6.8 million shares held by the estate of his late father, Conrad Hilton. Estate executor James E. Bates granted Barron Hilton the voting rights to the 25.4% of total shares outstanding.

ATLANTIC CITY HILTON

The Atlantic City Hilton Hotel-Casino.

As was previously reported, Golden Nugget made a $72-a-share bid for the estate's stock. After Bates rebuffed the $488 million offer, calling it "inadequate," Wynn indicated that Golden Nugget was willing to raise its bid.

With the estate's shares, Barron Hilton would have the voting rights to 31% of Hilton's total shares.

Barron Hilton and Bates were individually named as defendants in the lawsuit.

The 35-page suit also accuses Hilton of acting improperly in not disclosing certain information to the New Jersey Casino Control Commission during the chain's bid for an Atlantic City gaming permit.

On April 23 Hilton disclosed that senior vice president and general counsel E. Timothy Applegate had resigned from the chain and that senior vice president of industrial relations John E. Cullerton had retired.

The Casino Control Commission had criticized Applegate and Cullerton for hiring and retaining the services of alleged mob adviser Sidney Korshak.

The commission also criticized Hilton executive vice president Henri Lewin for allegedly meeting with labor union officials. Hilton indicated that it had not asked Lewin, a close personal friend of Barron Hilton, to resign.

The antitakeover proposals that shareholders will vote on at the May 6 meeting in Beverly Hills, Calif., include a staggered term for directors, a 75% "super marjority" approval of mergers and board changes and a "poison pill" provision permitting Hilton to issue additional stock shares.

Representatives of Golden Nugget are expected to attend the meeting. The gaming company purchased about 100,000 Hilton shares before making its $488 million bid for the 25.4% stake in the hotel chain.

A spokesman for Hilton declined to comment on the lawsuit.

COMMODITIES

Strength of U.S. dollar may delay price increases

***NRN* Special Report**

The continued strength of the U.S. dollar in relation to other currencies may hold off predicted meat price increases until much later this year. Although in late 1984 agricultural economists had forecast sharp rises (as much as 9% for beef) for the first quarter of this year, the price of both beef and pork have actually fallen from 1984 levels, beef down 2% and pork down 3.5% from last year's fall lows, and down 15.6% and 17%, respectively, from the same period last year.

The market for red meat has felt three strong influences. One has been the relatively long-term strength of the dollar. Foreign producers, particularly those of hogs and pork products, have been able to gear up to taking advantage of U.S. sales without abandoning other world customers.

The second influence has been a shift in world trade patterns. Denmark has taken away much of Canada's hog sales to Japan. As a result, Canada turned to the U.S. to get rid of its surplus hog production. Importation of Canadian hogs has tripled over the past year. At the same time, Danish hams were flooding the Canadian market, and Canada erected import barriers. The Danes then diverted those hams to the U.S. market. Imports of Danish canned ham have nearly doubled in comparison with last year's figures. Meanwhile, because a strong dollar makes U.S. goods higher priced in foreign markets, our exports of meat and meat products have been cut in half.

Even import barriers have been ineffective against Canadian hogs and pork. U.S. farmers convinced the Government to impose a $0.039 a pound "impound" on Canadian hogs, while deciding whether to establish an import duty. Canadian producers, with large surpluses of hogs and with the differential between currencies so great, have not been fazed.

The third influence has been the increased slaughtering of both cattle and hogs by American producers. Many have been trimming herds back, both because of lower prices and because of drought in major producing areas. Pork producers have been especially hard hit. Even with the price of feed grains down, most place their break-even point at $0.50-$0.54 a pound from the slaughterhouse. For the past two months, those prices have sagged to about $0.40-$0.44 a pound, which means farmers take a 20% loss on each hog delivered to market.

All those factors have held the prices of both beef and pork down. Each quarter, agricultural economists forecast higher prices ahead, but as long as these factors exist, there will be a lid upon how high they can go.

Lamb and mutton imports have hit a five-year high, but domestic production is down and prices have remained high, especially those for lamb. U.S. production has been reduced because of poor grazing owing to drought for the past three years in some major producing areas and because of animal losses during last winter's severe storms.

Broilers, on the other hand, despite increased production (up 5% to 6% from last year's), low feed costs and low competitive meat prices, have been rising in price since early April from lows hit in the last half of March. Observers feel the higher prices will hold for the rest of spring.

Seafood prices have been fairly stable for the past several months. With improved weather off Newfoundland, trawlers are expected to increase cod and flounder catches, dropping the prices of those fish. Even with the long hiatus last winter in imports of Canadian blocks and slabs, prices did not run away. Processors of portions had stockpiled large inventories before the Newfoundland trawlermen's strike and were able to ride out the period without panic.

PRICE MOVEMENT AT A GLANCE

Cash Prices	April 22, 1984	March 22, 1985	April 22, 1985
Asparagus, No. 1, loose Jumbo, Calif. (33# carton)	$21.00-$22.00	$31.00-$32.00	$16.00-$18.00
Beans, Pinto, dry, Colo. (cwt.)	$22.00	$19.00	$21.50-$23.00
Beef, Choice, 700-900 lb., Midwest (lb.)	$ 1.02	$ 0.88	$ 0.88
Broccoli, No. 1, Calif. (14s)	$ 4.00	$ 9.00-$10.00	$ 4.00
Broilers, Grade A dressed, ice-pack, N.Y.C. (lb.)	$ 0.5293	$ 0.4821	$ 0.4819
Coffee, green beans, Brazilian, New York port (lb.)	$ 1.48	$ 1.40	$ 1.37
Eggs, Grade A, large white, Chicago (doz.)	$ 1.06	$ 0.62-$ 0.65	$ 0.53-$ 0.56
Lettuce, iceberg, No. 1, Calif. (24s)	$ 3.00	$ 3.00	$ 3.00-$ 3.50
Pepper, black, Indonesia (lb.)	$ 0.97	$ 1.50	$ 1.77
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$ 0.93	$ 0.815	$ 0.785

Source: NRN *Research*

Survey: Trends In Design

Independent restaurateurs note a trend toward simpler decors; customers give priority to food and service.

How important is decor to the financial success of an independent restaurant? Significantly so, operators say. Yet they caution that good looks alone won't woo customers back a second time. In fact, restaurant owners feel that consumers evaluate a restaurant first by the quality of food and secondly by the quality of service. Decor is ranked third in consumer importance, and is considered to be only slightly more important than price.

These are some of the findings of a new *Nation's Restaurant News* survey. The study, in which 50 operators of restaurants across the country were interviewed on a variety of design and decor-related issues, also shows a strong current trend toward simpler, lighter decors in which natural materials, neutral colors and natural light are emphasized.

Judging by the survey, independent restaurants undergo a periodic facelift to keep them fresh and appealing. One-half of the respondents said they made changes in their restaurant decor in the past two years, although none of the changes was considered an attempt at changing the restaurant's atmosphere. Similarly, very few restaurateurs indicated any plans to change the look or atmosphere of their establishment in the coming 12 months.

When they do fix up their restaurants, operators are most likely to install new carpets, add or change lighting fixtures, and reupholster chairs and banquettes. In some cases, interior remodeling is done to increase seating areas or to take advantage of new sales opportunities. For example, one operator said he added a private dining room that holds 14 customers, and put in a new wine cellar where customers can pick their own bottle. The cellar holds 8,000 bottles and has 600 bins, and is divided into two rooms—one for white wine and one for red wine, and each with its own temperature setting.

Another restaurant's owners indicated they had taken advantage of the increasing popularity of "grazing"—customers ordering small amounts of food or dessert outside the regular meal periods—by building a new lounge area partly for that purpose.

If some of the respondents said they will redo their restaurants' interiors in the near future, the way those restaurants have been designed or decorated might pose problems, however. Nearly 40% of all restaurateurs surveyed said they don't have the flexibility of design to respond to a change in customer tastes or operational needs. The 60% who said they do most often mentioned adequate back-of-the-house systems, different seating areas and levels, adjustable lighting and easily movable seating as reasons for that flexibility.

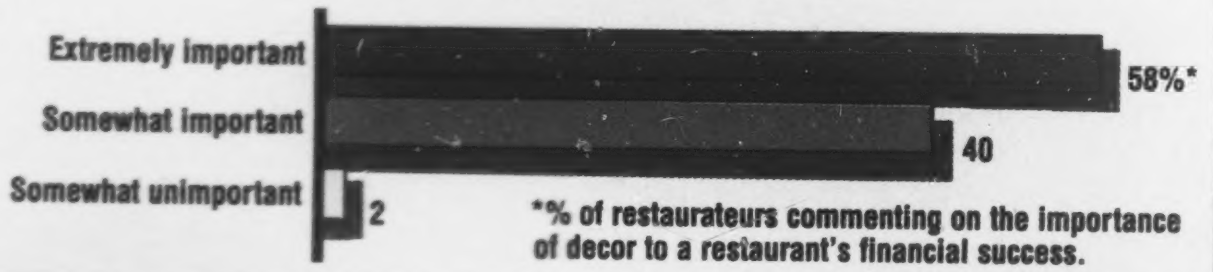
One operator suggested he can give his restaurant a different look any time he feels like it by presenting a "revolving" art show. "In the winter we might show Persian rugs to show a warm atmosphere; in the summer we might show pastels to lighten up the atmosphere," he said.

Some restaurants might be following ever-changing fads, but decor doesn't seem to change all that frequently; more than 4 out of 10 independent restaurateurs feel the life span of today's restaurant interior designs is about the same as it was in the past, with about an equal number believing that it's shorter. And 16% think today's life spans are longer.

The survey also had some good news for professional designers: 60% of the respondents said interior designers are needed to get the desired "look." On the other hand, 38% said they can do without designers.

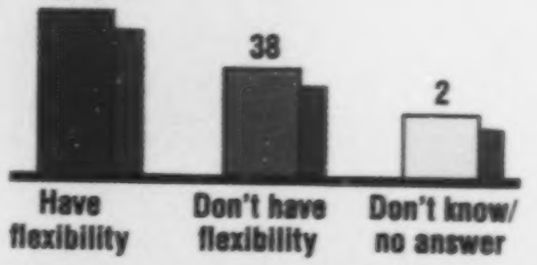
The majority of restaurateurs also agreed with the notion that demographics—such as the increase in the number of working women, more singles, and an older population—rather than a restaurant owner's personal taste, should influence the selection of interior design and decor.

Decor: how important to restaurateurs?



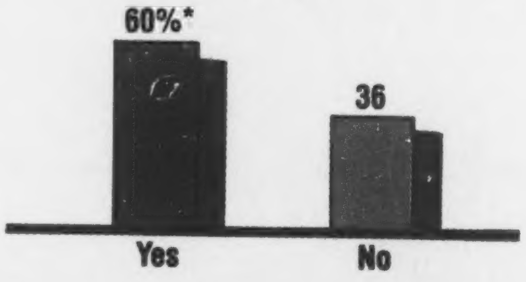
*% of restaurateurs commenting on the importance of decor to a restaurant's financial success.

Interior design: flexible for change?



*% of respondents commenting on whether their restaurant's interior design is flexible to respond to changing consumer tastes or changing operational needs.

Professional designers: How needed?



*% of respondents commenting on whether professional interior designers are needed to get the desired "look."

Source: NRN *Restaurant Interiors Study*

Healthy segment softens

(Continued from page 1)

General Mills has thrown in the towel on the Good Earth health-food concept it bought five years ago. It has put the chain up for sale.

Skinny Haven's Calhoon, who has cut back the size of his diet-and-health chain to 23 from 27, said he is convinced that the market for such restaurants is limited. "If you're targeting the masses," he said, citing Good Earth and D'Lites, "you could get into trouble."

THERE ARE indications, however, that interest in "better-for-you" fast foods is growing at major chains looking for menu alternatives. Wendy's flirtation with "healthy" food items has blossomed into a rollout commitment for some items and expanded testing of low-calorie salad plates.

Nutrition-minded chefs in Kentucky Fried Chicken's test kitchens say they are "cooking like maniacs" in search of the "ultimate" nonfried chicken product to augment the Colonel's menu. Jack-in-the-Box, Taco Bell, Burger King and other mainstream fast-feeders have added salads and salad bars.

Multiconcept Saga Corp. hired more than 600 dietitians in a three-year program of companywide recipe revisions that were aimed at quantifying nutrition values and purging additives. Saga, however, refuses to add the nonfried chicken items it has tested to the menus of its Grandy's fast-food chicken chain, saying consumer demand is insufficient.

And McDonald's, whose two most recent new product hits were deep-fried Chicken McNuggets and calorie-packed biscuit sandwiches, canceled a test of a "Lite Mac" burger and has ignored the move to salads except in a handful of units.

THE 22-UNIT Fresher Cooker sustained a net loss of nearly $1 million last year, and revenue declined 4%. And though the chain claims to be "new, fresh and light," some patrons are put off by such menu incongruities as hotdogs, canned soups and a saturated-fat-based artificial sour cream topping for fresh-steamed vegetables.

Although Fresher Cooker principals point proudly at the 225-unit franchise "commitment" of KFC Corp., officials of KFC parent R. J. Reynolds Industries said they have no immediate plans to exercise their options beyond two franchised stores in Florida that they are "still evaluating."

However, ex-KFC executives John Y. Brown and Ed Chambers, formerly KFC's chairman and president, respectively, are among 46 franchiseès lined up by the fast-growing D'Lites of America chain, based in Norcross, Ga.

A "nutritionally differentiated" menu anchored by a low-fat burger on a high-fiber bun makes 62-unit D'Lites a viable alternative to the Big Three burger chains, according to founder and chairman Douglas Sheley.

Intending to expand its 15-state chain to the West Coast through franchises this year (John Y. Brown has San Diego and Los Angeles), D'Lites currently has 23 units under construction and 42 approved sites waiting in the wings.

Analysts have been impressed with D'Lites because of its initial rapid growth and its plausible, burger-segment competition strategy.

But when industry watchers hear of Sheley's plan to have more than 1,000 D'Lites units open within 10 years, they become skeptical and question the true extent of potential market demand.

Coke, Pepsi in share war

(Continued from page 1)

sell it. Burger King switched to Pepsi in 1983 amid much publicity and now sells it exclusively. Wendy's sells Pepsi in all company units and in about 70% of its franchises. Pizza Hut, which is owned by PepsiCo, sells only Pepsi.

In a survey of 62,146 foodservice outlets by *Beverage Digest*—a newsletter that scooped the industry by reporting on the reformulation days before the top-secret plan was announced—Coke was dominant in 32,061 outlets, Pepsi in 10,050, and the two industry giants shared the balance.

"Because of our distribution, the public will be able to taste it quicker at McDonald's on a national basis than anywhere else," said McDonald's spokesman Richard Starmann.

Contrary to one published report, Starmann said, top McDonald's executives were informed of the reformulation in advance and had tasted it.

BILLIE BROWN, spokesman for Kentucky Fried Chicken, said the revamped Coke would have no effect at KFC. John Merritt at Hardee's said: "It's too early to tell. I haven't even tried it yet."

Wendy's Linda Packer said the No. 3 burger chain had no plans to switch to Coke.

"We're confronted with people in the industry who reformulate products every day," Packer said. "We're happy with Pepsi."

Coke's announcement on April 23 that it was changing the flavor of the world's most popular soda is seen as a response to declining market share as well as a counterattack on Pepsi, which has been waging an aggressive advertising campaign. Recent spots featuring pop stars Michael Jackson and Lionel Ritchie are tied to the company's current ad theme: "Pepsi. The Choice of a New Generation."

Pepsi has been chipping away at Coke's lead since it began the "Pepsi Challenge" commercials in the 1970's.

PepsiCo treated Coke's decision as a marketing victory. On April 26 the company gave its 800 employees a holiday so that they could celebrate. In a full-page ad in *The New York Times* the day of Coke's press conference, Pepsi said, "After 87 years of going eyeball to eyeball, the other guy just blinked."

Magic Pan expands menu

(Continued from page 3)

peal through menu revisions and decor changes because of the waning popularity of crepes and because of the notion that the original creperie concept was attractive only to women.

Asked what the future held for the creperie-dinnerhouse concept, Friedrich replied, "I wouldn't say that the major growth of Magic Pan will come from that concept."

The company's major movement will involve the Laredo's and Frogg Lane themes, he said, adding that "acquisitions" could also play a major role in the company's expansion.

Surveys taken after the new "Taste the Magic at Magic Pan" spots aired in April showed that the commercials increased customer counts in the markets where they ran, Friedrich said. He admitted it was too early to tell just how much traffic was up and whether the commercials would result in any long-term gains.

The new commercials underscore the chain's efforts to play down its creperie roots. They make little, if any, mention of crepes, instead emphasizing foods with a heartier perception, such as steak and chicken. Magic Pan's past emphasis on crepes led one writer to label the chain "wimp haven."

Menu changes center on the addition of four appetizers, including escargots in mushrooms and chilled prawns, a seafood salad, a seafood club sandwich, prawn sauté, chicken breast Algerian, fusilli with four cheeses and tortellini Bolognese.

In the new menu crepe dishes still outnumber other types 18 to 14 at lunch and 18 to 16 at dinner. The dinner menu includes a couple of dishes not available at lunch, such as steak Diane, and its entrées are priced about $1.50 higher than their lunch counterparts.

Since being named president by the Patels in February 1984, Friedrich has overseen the trimming of the chain from 75 units to 65, with a "handful to go," the hiring of a new advertising agency and marketing director, the menu revisions, decor upgrades and the planning for expansion.

Friedrich said he moved last year to halt the advertising campaign put in place before he was hired because it overemphasized discounting rather than stressing the "quality image" the chain wanted to project. Another concern, he said, was that media buys were not getting the company the "biggest bang for its buck."

Narsai's closing June 1

(Continued from page 3)

into the *NRN* Fine Dining Hall of Fame. "People come here because of an ambience and a menu style they've grown accustomed to," he said at the time.

However, Narsai's customer base was increasingly distracted by trendy and sometimes innovative new restaurants that cropped up in the East Bay in recent years. Many of them were launched by disciples of Alice Waters' Berkeley restaurant, Chez Panisse, which is considered a watershed operation in the California cuisine "movement."

Narsai's will end its history with a June 1 party featuring a number of the restaurant's elaborate signature dishes and other ethnic specials from old menus. David intends to sell or rent the premises, but he will preserve its distinctive wrought-iron sculptures and the redwood artifacts that were fashioned from planks of a reclaimed 200,000-gal. water tank and formed part of the restaurant's interior walls.

General manager Link has ideas about the future value of David's extensive collection of wines—some 60,000 bottles comprising 1,500 different labels. "I just can't imagine Narsai being out of the restaurant business for too many years," Link said.

David will now focus his resources on expansion of the Narsai's line of preserves, mustards, chutneys and other products. The business had been growing at a double-digit rate in recent years despite relative inattention. Generating less than $1 million in sales this year, the line is projected to double or triple in volume

Fuddruckers' challenge

(Continued from page 3)

and operations posts with Michael Kelly (marketing vice president) and John Butorac (senior operations vice president), asserted that so-called big names in the management and franchisee ranks of Flakey Jake's have provided no advantage.

In fact, Baumhauer pointed out, despite "terrible marketing so far," Fuddruckers has been outdueling Flakey Jake's in both market penetration and profitability.

For the first quarter, ended March 31, Fuddruckers posted a net profit of $120,000 on revenues of $10.1 million, compared with a net loss of $200,000 on revenue of $4.3 million in last year's initial quarter.

Flakey Jake's, on the other hand, is yet to turn a profit and is expected to continue losing money at least through the third quarter of 1985, according to chief financial officer Jay Fitzsimmons.

As for charges that Fuddruckers' menu is too heavily dominated by male-oriented ½-lb. hamburgers, the chain has begun moving curiously close to the broader-menu approach adopted by Flakey Jake's.

The recent addition of a smaller $^{1}/_{3}$-lb. hamburger and a grilled chicken breast sandwich, for example, now provides at least some lower-ticket items with appeal to women and children.

In the Minneapolis market, where Michael Platt's Discus Corp. holds the Fuddruckers franchise rights, those products have accounted for nearly 50% of sales since they were rolled out late last year.

While stressing that Fuddruckers is determined to stay in "a hamburger niche," Baumhauer indicated that further menu expansion is not too far down the road. Some new products, which will open the way for more patronage by women and children, are already in the works.

Some form of salad—"definitely not a salad bar"—will be tested within the next month, Baumhauer said, and could be rolled out systemwide within three months.

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Stock Index up 1.0 to 121.5; gainers beat losers

By Don Jeffrey

NEW YORK — Despite signs of weakness in the economy, especially low first-quarter profits, the *Nation's Restaurant News* Food-Service Operators Stock Index rose 1.0 points in the week ended April 26 to close at 121.5, the third consecutive week of record closings.

Advancing issues virtually tied declining issues, 43 to 42, with 27 unchanged in price, on the full 112-stock listing.

The Dow Jones Industrial Average closed 8.62 points higher in the week, at 1,275.18, although business productivity was down 1.2% in March and first-quarter profits for the nation's largest corporations were lackluster.

Leading percentage price gainers of the week were Maverick Restaurants, up 75¢ to close at $3.25, and Taco Villa, up $1.50 to close at $6.50.

Acapulco Restaurants was the leading issue in volume surge, trading 354.3% higher than the previous 12-week average.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Acapulco Rests M	354.3	Grace W R N	149.0
Maverick Rest O	343.2	Luby's Cafe N	144.4
Ryans Fam Steak M	182.9	Jerrico Inc M	106.4
Taco Villa O	181.6	Winners Cp N	90.5
Chili's Inc M	175.2	Frisch's A	89.5

TOP TEN GAINERS

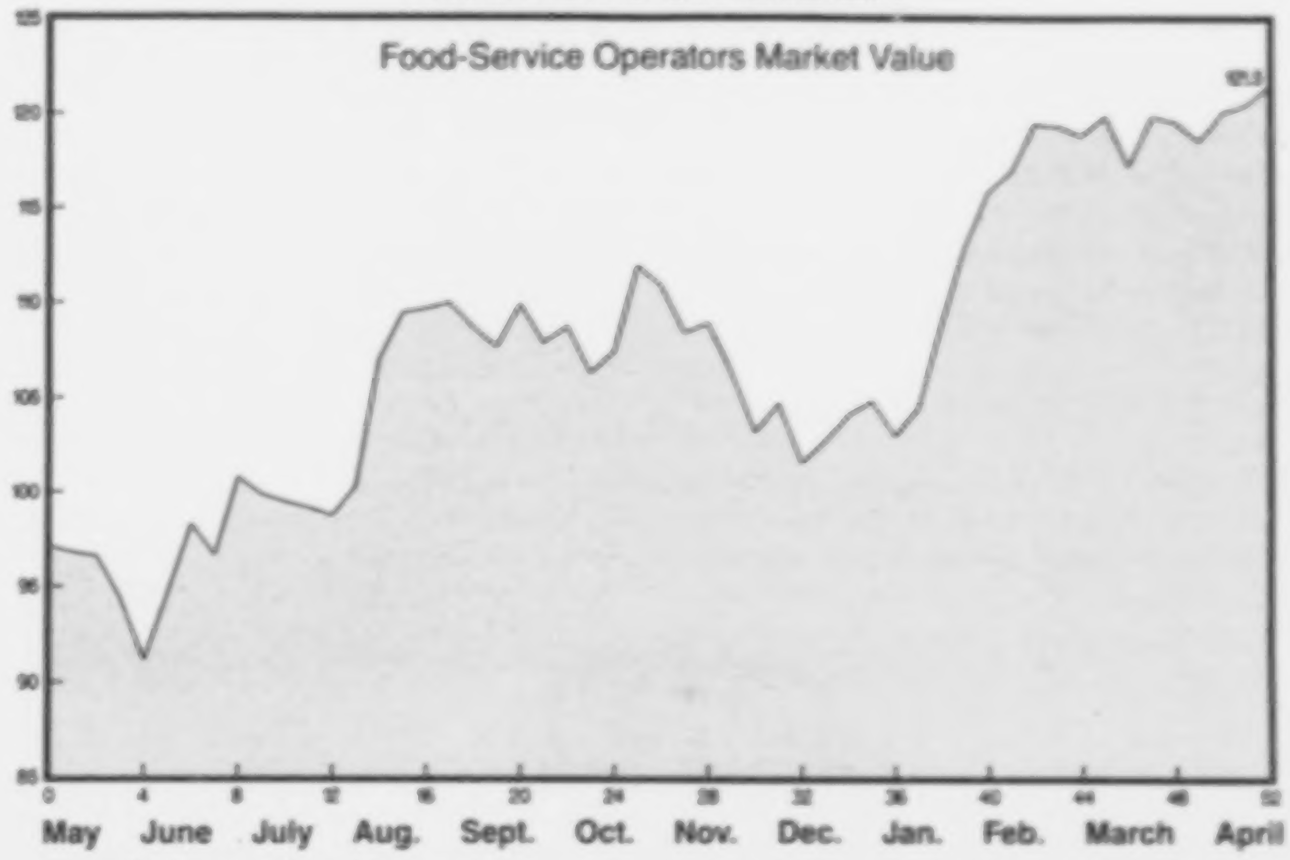
Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Maverick Rest O	30.0	Diversifoods M	9.1
Taco Villa O	30.0	1 Potato 2 O	8.3
A&M Food Svcs M	11.4	Jerrico Inc M	7.6
Beefsteak Char A	11.1	SIS Cp M	5.9
Po-Folks M	10.0	DLites Of Amer M	5.6

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kapok Cp A	- 20.8	Swensens Inc O	- 10.5
Peoples Rest M	- 16.7	Victoria Stations M	- 9.1
Capt Crab M	- 13.2	Good Taco M	- 9.1
Kelly-Johnston M	- 12.5	Fast Food Oper O	- 9.1
Assoc Hosts M	- 10.6	Primo Inc O	- 9.1

	Stock Market											Financial Update																	
	Price							Volume																					
													Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	4-26-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	6.13	.63	11.4	6.75	5.38	7.50	3.50	859	2.41	1.56	54.5	19.1	.00	.0	—	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests M	5.38	.25	4.9	5.50	5.00	5.38	3.50	1,060	4.27	.94	354.3	18.5	.00	.0	—	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
An Restaurants O	3.88	.00	.0	4.13	3.88	6.00	2.38	76	.33	.43	- 23.3	29.8	.00	.0	—	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts M	12.63	- 1.50	- 10.6	13.88	12.50	17.13	10.88	731	1.65	2.30	- 28.3	15.2	.12	1.0	—	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Beefsteak Char A	2.50	.25	11.1	2.50	2.25	3.75	1.75	146	.26	.64	- 59.4	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Benihana Natl M	19.88	- .63	- 3.0	20.88	19.88	21.75	9.63	389	1.34	4.10	- 67.3	21.6	.00	.0	—	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms M	20.50	.00	.0	20.75	20.25	20.50	14.75	930	.57	1.16	- 50.9	19.0	.30	1.5	—	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp M	.75	.00	.0	1.00	0.75	6.00	.63	43	.14	.27	- 48.1	NE	.00	.0		6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	12.63	.38	3.1	12.63	12.38	13.25	7.25	1,103	2.43	2.56	- 5.1	20.7	.16	1.3	—	9 mos.	11-84	13.6	32.0	.9	28.6	.19	18.8	38.6	27.4	2.3	43.8	.50	22.0
Capt Crab M	2.06	- .31	- 13.2	2.31	2.00	5.38	1.38	2,979	1.95	2.00	- 2.5	NE	.00	.0	—	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp N	9.88	.38	3.9	10.00	9.50	11.50	7.88	451	.58	.74	- 21.6	13.3	.07	.7	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's M	10.00	- .13	- 1.2	10.25	9.63	18.25	9.63	6,919	2.57	3.50	- 26.6	15.9	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc M	27.88	.63	2.3	28.63	27.25	28.88	12.75	3,045	6.77	2.46	175.2	41.0	.00	.0	—	6 mos.	12-84	16.0	58.4	1.0	150.0	.20	81.8	31.0	52.7	1.9	137.5	.41	78.3
Churchs Fr Ch N	18.13	- .13	- .7	18.38	17.75	19.25	11.38	4,338	1.15	1.66	- 30.7	15.6	.40	2.2		3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods N	21.63	- .13	- .6	21.88	21.25	23.00	10.00	521	.40	1.24	- 67.7	16.4	.16	.7	—	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev O	12.50	.00	.0	12.75	12.50	16.50	5.75	471	.91	1.47	- 38.1	16.2	.00a	.0	—	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts M	4.75	- .13	- 2.6	5.13	4.75	6.38	4.63	98	.28	.34	- 17.6	13.6	.08	1.7	—	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant M	5.00	- .38	- 7.0	5.25	5.00	13.50	4.50	396	.87	1.87	- 53.5	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel M	13.75	.00	.0	14.00	13.25	23.50	11.75	197	.55	1.07	- 48.6	16.6	.14	1.0	—	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc O	5.25	- .25	- 4.5	6.00	5.25	5.75	2.75	56	.32	.64	- 50.0	40.4	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods M	10.50	.88	9.1	10.88	9.50	16.75	8.00	27,216	8.10	7.33	10.5	19.4	.34	3.2	—	fiscal	12-84	133.7	6.8	(3.9)	NE	(.12)	NE	554.4	14.5	18.3	- 10.7	.54	- 11.5
DLites Of Amer M	14.13	.75	5.6	14.38	13.13	15.50	10.88	1,242	2.46	3.26	- 24.5	NM	.00	.0	—	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts M	20.25	.81	4.2	20.25	19.25	20.25	13.00	778	1.09	2.37	- 54.0	15.6	.24	1.2	—	3 mos.	01-85	140.7	589.7	2.6	13.0	.36	16.1	140.7	589.7	2.6	13.0	.36	16.1
El Chico M	10.25	.13	1.2	10.38	9.75	10.88	7.25	564	1.21	1.72	- 29.7	13.1	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest N	15.00	- .13	- .8	15.13	14.25	15.38	9.63	394	.36	.75	- 52.0	14.7	.00	.0		3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Family Showtime O	.38	.00	.0	0.75	0.38	1.75	.38	1	.00	.06	-100.0	6.3	.00	.0		3 mos.	06-84	3.8	375.0	(.1)	NE	(.04)	NE	3.8	375.0	(.1)	NE	(.04)	NE
Fast Food Oper O	.63	- .06	- 9.1	0.75	0.63	1.63	.63	255	.43	.52	- 17.3	8.9	.00	.0		9 mos.	08-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes M	7.00	.25	3.7	7.13	6.75	9.13	5.13	1,109	1.59	2.84	- 44.0	NE	.00	.0	—	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Folks Rest O	2.50	.00	.0	3.50	2.50	7.38	2.50	0	.00	.29	-100.0	NE	.00	.0	—	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	- 100.0
Fresher Cooker O	2.00	.00	.0	2.50	2.00	6.75	1.50	102	.46	.67	- 31.3	NE	.00	.0	—	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.06)	NE
Frisch's A	20.38	.00	.0	20.38	20.25	20.88	12.38	160	.36	.19	89.5	17.3	.22	1.1	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc M	8.38	- .75	- 8.2	8.75	8.00	15.25	8.00	2,845	4.37	4.19	4.3	NC	.00	.0		fiscal	12-84	7.4	196.0	.0	NC	.00	- 100.0	23.7	137.0	.0	- 100.0	.00	- 100.0
Garcias Scot M	2.06	- .13	- 5.7	2.25	2.06	6.38	1.63	321	.54	1.48	- 63.5	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco M	.63	- .06	- 9.1	0.89	0.63	3.63	.25	222	.75	2.62	- 71.4	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet O	14.25	.00	.0	15.00	14.25	14.50	9.75	4	.06	.18	- 66.7	7.7	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	5.50	.25	4.8	5.50	5.13	7.00	3.63	166	.58	2.02	- 71.3	28.9	.00	.0	—	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen O	43.00	.50	1.2	45.00	42.50	50.50	38.00	28	.14	.27	- 48.1	11.8	.00	.0	—	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab M	19.00	- 1.50	- 7.3	20.50	19.00	24.75	13.41	1,680	5.89	3.64	61.8	14.2	.00a	.0	—	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest M	15.25	.50	3.4	15.50	14.88	15.50	7.34	1,587	4.53	4.66	- 2.8	19.1	.16	1.0		6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc M	19.50	1.38	7.6	19.63	17.88	19.50	13.00	11,719	7.43	3.60	106.4	14.1	.12	.6	—	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.85	15.8
Kapok Cp A	2.38	- .63	- 20.8	3.13	2.38	3.88	1.13	191	.85	1.04	- 18.3	3.7	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	17.75	- .13	- .7	18.00	17.63	29.63	13.50	600	.85	1.59	- 46.5	10.6	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston M	.44	- .06	- 12.5	0.50	0.38	7.00	.38	3,055	3.58	3.11	15.1	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Luby's Cafe N	27.63	.13	.5	27.88	26.75	32.00	23.63	1,342	1.10	.45	144.4	18.2	.54	2.0	—	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp M	17.13	.13	.7	17.13	16.75	17.13	11.88	85	.17	.31	- 45.2	11.1	.28	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	85.38	.38	.4	86.00	84.50	87.75	60.00	1,383	.54	.66	- 18.2	17.0	.54	.6		fiscal	12-84	1122.2	30.1	39.3	62.4	1.47	70.9	3524.9	19.5	135.3	24.8	5.01	28.5
Maverick Rest O	3.25	.75	30.0	3.38	2.50	6.25	2.25	814	1.64	.37	343.2	40.6	.00	.0	—	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's O	3.25	.00	.0	3.75	3.25	5.88	2.50	27	.15	.77	- 80.5	NE	.00	.0	—	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp N	62.50	1.63	2.7	63.38	60.50	63.38	40.84	6,609	.77	1.02	- 24.5	14.2	.82	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures M	11.00	- .25	- 2.2	11.25	11.00	12.25	9.63	72	.15	.56	- 73.2	16.2	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc M	19.88	.50	2.6	19.88	19.38	19.88	13.25	1,713	1.29	1.70	- 24.1	13.3	.48	2.4	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak O	2.75	.00	.0	2.88	2.75	3.13	1.13	236	.49	1.12	- 56.3	NE	.00	.0	—	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express O	1.00	.00	.0	1.25	1.00	2.50	1.00	276	1.23	.79	56.7	NE	.00	.0	—	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans O	3.88	.13	3.3	4.13	3.75	4.50	1.78	312	1.40	1.09	28.4	15.5	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza M	9.00	- .25	- 2.7	9.25	9.00	9.75	7.50	195	.35	.20	75.0	10.0	.00	.0	—	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc M	5.13	- .38	- 6.8	5.50	5.13	10.13	4.75	498	1.12	4.93	- 77.3	NE	.00	.0	—	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
Noble Roman O	16.75	.00	.0	17.25	16.75	17.00	11.75	7	.12	.78	- 84.6	27.0	.00	.0		fiscal	12-84	4.4	51.7	.0	- 100.0	.06	- 60.0	17.8	53.4	.1	- 66.7	.24	- 61.3
1 Potato 2 O	1.63	.13	8.3	2.00	1.50	12.25	1.25	36	.16	.95	- 83.2	32.5	.00	.0	—	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC
Old Fashion Fd M	5.00	.00	.0	5.00	4.63	6.25	4.00	74	.53	.32	65.6	10.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet M	7.13	.00	.0	7.25	6.50	8.25	6.00	2,386	6.45	6.18	4.4	12.7	.13	1.8	—	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest M	.31	- .06	- 16.7	0.38	0.31	2.88	.25	787	.91	3.55	- 74.4	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	20.50	.00	.0	20.63	20.38	24.25	16.50	636	1.05	1.79	- 41.3	13.0	.60	2.9		9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4

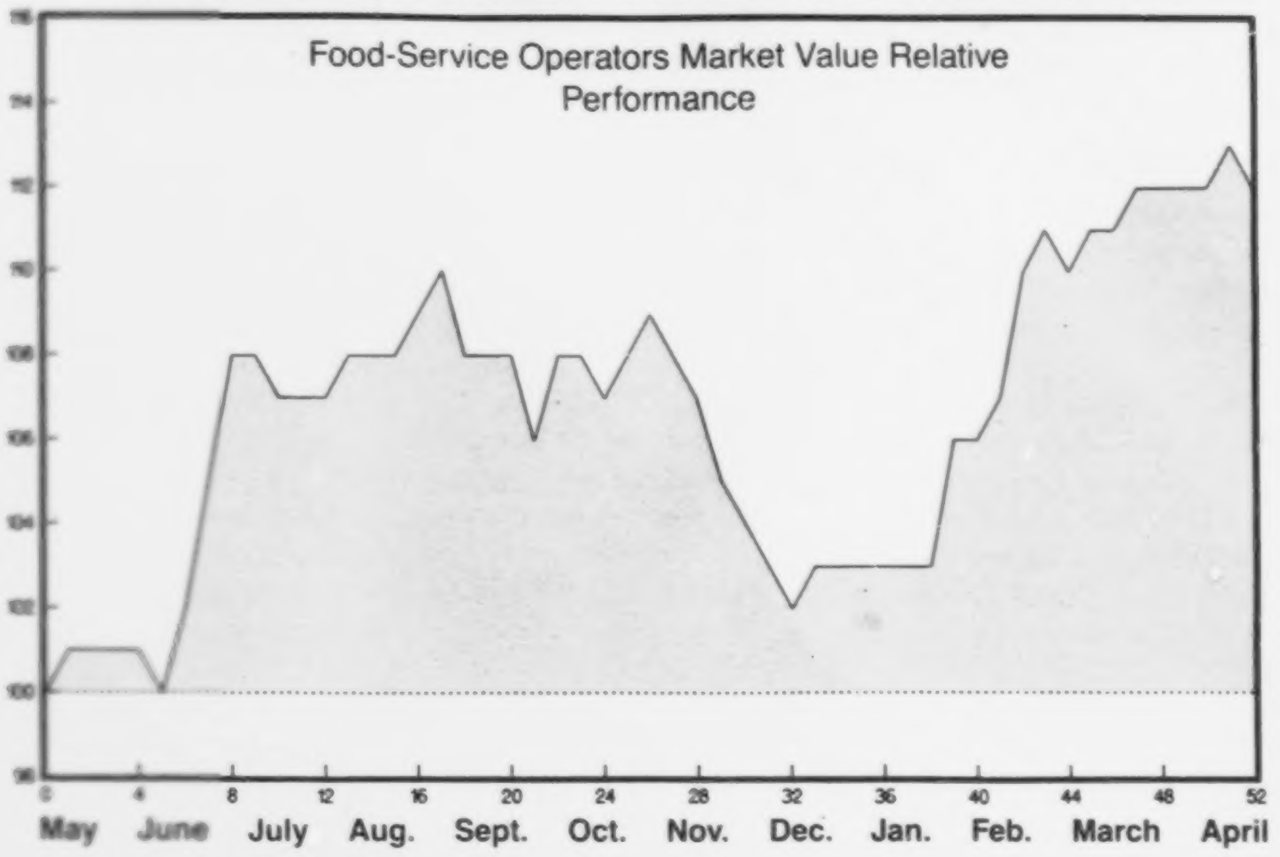
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



	Stock Market											Financial Update																	
	Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded					Indicated Divd. Rate					Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	4-26-85 Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.25	- .63	- 7.0	8.88	8.13	12.75	6.88	139	.46	1.10	- 58.2	15.9	.08	1.0	—	fiscal	12-84	50.0	33.3	(.9)	- 100.0	(.29)	- 100.0	185.6	24.6	1.6	- 55.6	.52	- 54.8
Po-Folks M	11.00	1.00	10.0	11.13	9.88	16.63	8.75	329	.74	.87	- 14.9	15.3	.00	.0	—	3 mos.	12-84	30.3	30.0	.6	- 25.0	.15	- 16.7	30.3	30.0	.6	- 25.0	.15	- 16.7
Ponderosa Sys N	12.25	- .50	- 3.9	13.13	12.25	22.88	11.50	1,074	1.12	2.71	- 58.7	7.2	.40	3.3	—	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	2.50	- .25	- 9.1	2.75	2.50	4.63	2.38	382	1.13	.84	34.5	NE	.00	.0	—	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
RAX Restaurants M	9.50	.25	2.7	9.50	9.25	16.38	8.00	435	.64	.78	- 17.9	23.2	.00	.0	—	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	8.13	.00	.0	8.13	7.75	8.88	5.38	166	.59	.72	- 18.1	14.8	.00	.0	—	fiscal	12-84	34.6	- 2.8	.5	- 44.4	.20	- 47.4	132.4	- 6.2	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	14.00	.25	1.8	14.00	13.50	16.50	9.00	345	1.49	1.34	11.2	15.7	.00	.0	—	fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzys G D M	2.88	.13	4.5	3.00	2.75	7.25	1.75	178	.34	.85	- 60.0	NE	.00	.0	—	fiscal	12-84	3.3	37.5	(2.7)	NC	(.52)	- 100.0	13.9	63.5	(4.3)	NE	(.83)	NE
Rusty Pelican M	16.25	.25	1.6	16.50	16.00	18.25	11.00	97	.34	1.06	- 67.9	21.7	.00	.0	—	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	16.50	- .25	- 1.5	16.75	16.00	17.75	11.25	2,673	4.13	1.46	182.9	32.4	.00	.0	—	fiscal	12-84	NC	NC	1.0	42.9	.16	45.5	32.0	66.7	3.3	57.1	.51	45.7
Saga Corp N	28.50	.00	.0	29.50	28.13	35.50	27.00	1,316	1.01	1.65	- 38.8	11.2	.52	1.8	—	6 mos.	12-84	331.1	8.6	13.7	13.2	1.03	8.4	602.7	11.3	19.4	18.3	1.45	11.5
Sandwich Chef M	7.00	- .50	- 6.7	7.50	7.00	9.00	6.75	87	.70	.90	- 22.2	11.5	.00	.0	—	6 mos.	12-84	7.1	14.5	.1	.0	.11	37.5	14.0	13.8	.3	.0	.27	28.6
Sea Galley M	8.88	.00	.0	9.00	8.75	11.00	6.50	843	2.31	5.89	- 60.8	4.6	.00	.0	—	fiscal	12-84	17.9	- 1.6	2.4	NE	.59	- 71.5	66.2	- 9.3	7.7	NE	1.94	- 9.8
Shoney's Inc M	30.13	1.13	3.9	30.25	29.25	30.13	16.22	1,437	.51	1.45	- 64.8	28.4	.15	.5	—	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	14.00	.00	.0	14.00	13.63	16.59	11.00	531	.95	.98	- 3.1	11.2	.00	.0	—	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp M	4.50	.25	5.9	4.50	4.50	7.25	3.25	42	.27	.50	- 46.0	NE	.00	.0	—	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl M	20.00	.50	2.6	20.50	20.00	20.50	9.75	709	1.03	.97	6.2	14.4	.00	.0	—	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	10.38	- .13	- 1.2	10.38	9.88	12.50	8.00	368	1.35	1.88	- 28.2	11.2	.06	.6	—	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	5.63	.13	2.3	5.75	5.50	5.88	3.75	832	1.67	4.41	- 62.1	16.1	.00	.0	—	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	1.00	- .03	- 2.9	1.09	1.03	1.44	.75	670	.44	.78	- 43.6	NM	.00	.0		fiscal	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	2.13	- .25	- 10.5	2.38	2.13	3.75	1.88	117	.36	.72	- 50.0	NE	.00	.0	—	fiscal	12-84	NC	NC	(2.0)	NE	(.48)	NE	11.4	- 16.8	(1.8)	NE	(.43)	NE
Taco Villa O	6.50	1.50	30.0	7.25	5.75	7.75	4.75	419	1.07	.38	181.6	21.7	.00	.0		fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva M	6.50	.13	2.0	6.50	6.38	7.50	4.66	47	.14	1.22	- 88.5	19.1	.00	.0	—	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	11.50	.00	.0	11.75	11.13	13.13	7.88	390	.34	.80	- 57.5	17.7	.00	.0	—	fiscal	12-84	75.6	37.5	3.2	88.2	.17	54.5	285.0	24.2	11.9	14.4	.65	.0
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	2	.01	.13	- 92.3	NE	.00	.0	—	9 mos.	09-84	2.8	27.3	(.1)	NC	(.07)	- 100.0	8.3	25.8	(.3)	NC	(.20)	- 100.0
Transworld N	33.13	.00	.0	33.63	32.38	37.63	24.50	8,087	2.47	2.43	1.6	10.5	.40	1.2	—	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	5.13	.25	5.1	5.25	4.63	5.75	2.75	2,923	4.65	4.18	11.2	12.8	.28	5.5	—	3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants M	24.88	.00	.0	25.63	24.75	26.88	13.25	1,575	2.37	4.80	- 50.6	18.7	.12	.5		3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations M	3.75	- .38	- 9.1	4.00	3.38	7.38	2.13	740	2.09	3.67	- 43.1	NE	.00	.0	—	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	16.75	.13	.8	17.25	16.75	17.75	10.69	9,544	1.30	1.94	- 33.0	17.8	.21	1.3	—	fiscal	12-84	244.2	24.1	17.6	18.9	.24	20.0	939.1	31.3	68.7	24.5	.94	23.7
Wstn Steer O	9.00	- .50	- 5.3	10.50	9.00	12.00	9.00	33	.27	.44	- 38.6	15.8	.20	2.2	—	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	7.88	- .50	- 6.0	8.50	6.88	13.38	5.13	1,631	3.62	1.90	90.5	21.3	.00	.0	—	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.75	- .25	- 8.3	2.88	2.63	5.63	2.63	965	.73	.78	- 6.4	NE	.10	3.6	—	9 mos.	09-84	61.0	- 24.8	(24.6)	NE	(1.86)	NE	202.4	- 14.0	(29.5)	NE	(2.24)	NE
Hilton Hotels N	68.13	1.00	1.5	69.75	66.13	73.50	45.50	5,419	2.19	2.34	- 6.4	14.9	1.80	2.6		3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	53.88	.75	1.4	54.88	52.63	54.88	35.25	4,199	1.20	2.11	- 43.1	15.0	1.00	1.9	—	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	27.63	.50	1.8	28.50	27.25	28.50	13.50	1,795	.93	.94	- 1.1	26.8	.09	.3	—	6 mos.	12-84	67.8	321.1	5.5	37.5	.28	33.3	115.7	256.0	11.3	31.4	.58	28.9
Ramada Inns N	7.63	- .38	- 4.7	8.00	7.63	8.25	5.13	5,637	1.52	2.05	- 27.3	58.7	.00	.0		fiscal	12-84	151.7	13.0	(2.1)	- 100.0	(.05)	- 100.0	598.1	4.6	4.7	11.9	.13	.0
Servico Inc M	20.00	.50	2.6	20.00	19.00	22.28	13.63	96	.28	.41	- 31.7	11.1	.00a	.0	—	fiscal	12-84	42.8	8.4	.1	- 90.9	.00	- 100.0	181.9	20.5	6.3	70.3	1.80	66.7
Sonesta Intl O	24.00	.00	.0	26.50	24.00	27.00	18.00	2	.01	.09	- 88.9	7.0	.40	1.7		fiscal	12-84	17.7	- 1.1	5.9	NE	3.83	NE	74.9	2.0	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev M	20.00	- .25	- 1.2	20.13	19.25	22.63	13.50	1,079	1.80	2.85	- 36.8	12.0	.40	2.0	—	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	8.13	- .63	- 7.1	8.63	8.13	13.47	7.25	282	.59	1.31	- 56.0	NM	.48	5.9	—	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	78.13	- 1.88	- 2.3	79.75	78.00	81.13	45.25	3,124	.93	1.50	- 38.0	64.0	1.20	1.5	—	3 mos.	12-84	426.5	37.3	32.2	257.8	.95	179.4	426.5	37.3	32.2	257.8	.95	179.4
Esteban Foods O	2.25	.00	.0	2.38	2.25	3.13	1.13	104	.44	.86	- 48.8	25.0	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	53.88	- 2.25	- 4.0	56.38	53.00	60.63	47.75	13,043	2.94	1.62	81.5	31.9	2.24	4.2	—	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	39.63	- .75	- 1.9	40.75	39.50	44.50	36.50	11,825	2.44	.98	149.0	10.4	2.80	7.1		3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	10.38	.13	1.2	10.63	10.00	18.22	8.63	1,335	1.08	1.19	- 9.2	14.6	.00a	.0	—	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	30.38	- .63	- 2.0	31.88	30.13	31.88	24.13	1,294	.68	.80	- 15.0	14.8	1.80	5.9	—	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	53.25	1.13	2.2	53.75	50.50	55.25	39.25	31,141	3.32	2.06	62.0	14.5	1.68	3.2		fiscal	12-84	2272.8	- 4.4	104.7	35.6	1.10	34.1	7698.7	7.4	348.6	22.7	3.67	21.9
Pillsbury Co N	47.63	.88	1.9	48.00	46.63	49.50	34.50	1,806	.42	1.01	- 58.4	10.8	1.56	3.3	—	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	11.63	- .13	- 1.1	11.88	11.50	15.25	10.50	174	.16	.93	- 82.8	19.1	.23	2.0	—	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Operators' tax-credit gravy train may come to a halt

By Rick Telberg

Restaurateurs have been riding a gravy train of Federal tax credits that may soon come to a screeching halt.

The combination of the Investment Tax Credit—which allows operators to deduct 10% of their outlay for building or improving a restaurant, in addition to accelerated depreciation—and the Targeted Jobs Tax Credit (T.J.T.C.)—which can chop wage expense for eligible employees by half—has allowed some operators to all but wipe out their annual tax bill.

But because few restaurateurs can swear that the twin programs coax them into doing something they wouldn't do otherwise, the credits have come under fire from Washington deficit-cutters. A handout to business, opponents say.

The tax credits are especially important to small and growing companies like Po Folks Inc. in Nashville. "We thrive on them," said Po Folks tax manager Wendell Gannaway. "It would hurt us terribly if they were abolished."

Last year Po Folks took about $760,000 in credits from the two programs, boosting after-tax profit by 23%. In 1983, Po Folks' $540,000 deduction inflated its net income by 43%.

At other companies, like T.G.I. Friday's Inc. of Dallas, the tax credits can mean the difference between reporting reduced earnings from one year to the next or simply level earnings.

If T.G.I. Friday's hadn't had $630,000 in credits, mostly from investment, to fall back on, its 65¢ earnings per share would have fallen to about 62¢.

Few close observers expect both programs to be killed outright. But all seem to agree that both cannot survive without cutbacks.

Whatever the political outcome, it is clear from a spot check of 12 more-or-less-randomly surveyed companies that the tax credits have been immensely important to the chain restaurant industry.

Last year the typical company used the credits to boost after-tax profit by about 12.2%. That was up from 11.5% of net income in 1983 and 9.5% in 1982.

The stark rise parallels one of the most frenetic periods of expansion in the industry and suggests the tax credits may have been at least partly to blame for the overcapacity that many in the business now complain of.

For all their importance, however, the two tax credits engender little sincere support among restaurant executives.

One admitted privately that the jobs program has no effect on hiring decisions because applicants are screened as "chronically unemployable" only after they've been signed on. Yet 25% of this company's workers qualify.

J. David Bamberger, the iconoclastic chairman of Church's Fried Chicken, recently blasted the jobs program: "This industry should be ashamed at the use of T.J.T.C. It wasn't designed to help margins. The free enterprise system deserves better."

Under investment tax credits, even a walk-in cooler or a purely decorative mansard roof qualifies for a deduction.

Richard Pyle, an analyst at Piper, Jaffray & Hopwood brokerage in Minneapolis, sees irony in the tax credits. The jobs credit, Pyle said, "is a way for the Government to reduce employers' wage expenses without reducing the minimum wage."

* * *

STOCK-PICKERS' PICKS: After surveying the cafeteria sector, R. Thomas Sour of Gruntal & Co. in New York picks Piccadilly (recent price: $22). He'd even sell Morrison ($19) to pay for the Piccadilly purchase, and picks Piccadilly over Luby's ($28).

Piccadilly's 2.7% dividend beats both Morrison's 2.5% rate and Luby's 1.9%, Sour notes. Plus, Morrison's slower growth outlook could undercut its stock price and Luby's doesn't have as much room to grow as Piccadilly does, Sour says.

March 'real' sales off 0.3%, show gain over February

WASHINGTON — Sales trends in the food-service industry, after being adjusted for inflation, slowed their slide in March, new Government data show.

"Real" sales sank 0.3% in March from the year-ago period, a shallower drop than the 1.2% price-adjusted decline in February.

March's sales data were adjusted after the U.S. Labor Department reported its Consumer Price Index for Food Away from Home, the Government barometer of menu price changes in restaurants, held steady at a 3.9% inflation rate in March.

March's inflation rate matched January's and February's. The menu price inflation rate in 1984 was 4.2%.

Price inflation in the Food at Home category ran at a 1.8% rate in March, up fractionally from February's 1.7%, but still below January's 2% and 1984's 3.6% rates. Analysts report they are concerned about future eating-out sales trends when the difference in cost between eating out and eating at home widens.

The Labor Department's inflation report for March followed U.S. Census Bureau surveys for the first three months of the year which showed sales in the food-service industry slowed significantly.

The Census Bureau has estimated that March sales were 3.6% above the level of March 1984, February's annual growth rate was 2.7% and January's was 4.2%. Sales grew 8.2% in 1984 from 1983, the Census Bureau has said.

After discounting the Census Bureau's sales figures with the Labor Department's inflation estimates, it appeared that the food-service industry's growth rate fell to a negative 0.3% in March, following a negative 1.2% in February and a barely positive 0.3% in January. Price-adjusted sales growth grew 4.2% from 1983-84.

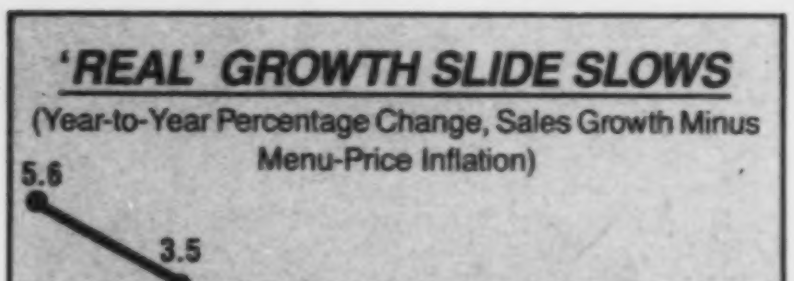
In a separate report, the Labor Department said its Producer Price Index for Finished Consumer Foods, which helps gauge restaurant food cost changes, declined in March after minor rises in January and February.

The index was 0.9% lower in March than in March 1984. The year-to-year change in February was a 0.3% gain, following a 0.7% rise in January. In 1984 the index rose 3.8% from 1983.

Eggs led the list of commodities that fell in price from the previous year, down 28.9%. Fresh and dried vegetables followed, with a 20.9% decline.

'REAL' GROWTH SLIDE SLOWS

(Year-to-Year Percentage Change, Sales Growth Minus Menu-Price Inflation)



Source: Census Bureau Eating and Drinking Place Sales, Labor Department Food Away From Home Consumer Price Index, neither seasonally adjusted.

McDonald's earns $84M in 1st quarter

OAK BROOK, Ill. — McDonald's said net profit for the first quarter ended March 31 rose 12% from the year-ago quarter, to $84.3 million. Revenue rose 7%, to $808.6 million.

Systemwide sales gained 7% from the prior-year quarter, to $2.34 billion, as 548 new restaurants were added during the year, bringing the total to 8,367.

"Sales during the quarter were affected by severe weather conditions in January and February in North America and Europe," chairman Fred L. Turner said.

About $12.7 million of the quarter's profit came from gains on real estate sales, up from $7.9 million in the year-ago quarter.

Sales at company-owned restaurants rose 4%, to $589.3 million, while expenses for company-owned units rose 5%, to $495.8 million.

The strong U.S. dollar held international sales to less than a 1% gain, to $452.7 million. If currency exchange rates had held steady from the year-ago quarter, McDonald's said, its foreign operations would have posted a 15% advance.

There were 1,730 foreign McDonald's outlets at quarter's end, up 187 from a year ago.

NRN FINANCIAL DIGEST

Church's posts gain in 1st qtr.

SAN ANTONIO — Church's Fried Chicken said net profit in the first quarter ended March 24 rose 17% from the prior-year quarter, to $7.9 million, on an 8% revenue gain, to $116.3 million. Church's is a 1,514-unit fried chicken chain.

Jerrico 3rd-quarter net off 5%

LEXINGTON, Ky. — Jerrico said its net profit in the third quarter ended March 31 fell 5%, to $4.3 million, from the year-ago period. Revenue slipped 2%, to $123.5 million. Officials blamed inclement weather.

Nine-month earnings rose 8%, to $14.7 million, on a 3% revenue gain. Jerrico operates the 1,360-unit Long John Silver's Seafood Shoppes chain.

Esteban chairman to buy units

MINNEAPOLIS — Esteban Foods said it has signed an agreement to sell its 10-unit Mexican dinnerhouse chain to Esteban chairman and chief executive R. Stephen Tanner for $965,000. The company said it had received no better offers.

The price would be paid by the assumption of debt, the forgiveness of loans from Tanner to the company and in cash. The company has said it wants to concentrate on its food-processing operations.

Transworld net falls 16%

NEW YORK — Transworld Corp.'s net profit for the first quarter ended March 31 fell 16% from the year-ago period, to $16.2 million, as revenue rose 4%, to $479.8 million, the company said.

Transworld said bad weather slowed gains in its franchised Hardee's and company-owned Quincy's restaurants; a strong dollar hurt Hilton International's results and expenses mounted at Century 21 real estate brokerage. The company also operates Canteen, a contract feeder.

Piccadilly net profit falls 42%

BATON ROUGE, La. — Blaming bad winter weather, Piccadilly said net profit in the third quarter ended March 31 fell 42% from the same quarter a year before, to $1.25 million.

Nine-month net gained 18% to $7 million on an 8% revenue advance to $138.8 million. Piccadilly operates 98 cafeterias.

Chili's says net profit doubled

DALLAS — Chili's officials said they expect to report that net profit in the March-ending third quarter doubled to about $861,000 from the 1984 quarter while revenue climbed 60%, to $17 million.

The Chicago market: U.S. culinary capital —Focus/F3-26

Petrossian: Views on caviar etiquette —Page 12

Sturgeon popularity also has a dark side —Page 77

Nation's
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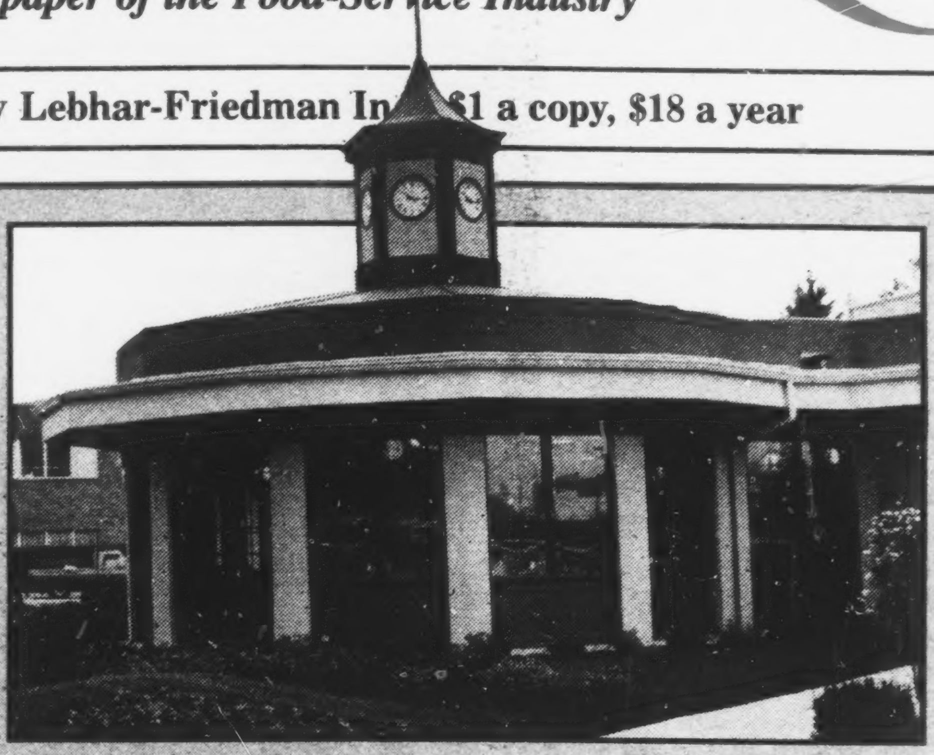
Chains challenge local zoning rules

Fast feeders tailor units to communities



This Wendy's in exclusive Shaker Heights, Ohio, cost 40% more than a standard unit.

By David Zuckerman

Americans love fast food, as proven by the record $44.8 billion spent last year on burgers, chicken, pizza, tacos and a full spectrum of other items. But they do not necessarily love fast-food restaurants.

In fact, an increasing number of communities across the nation are stepping up resistance to unit proliferation within their boundaries and are creating sticky problems for the major restaurant chains.

Tighter zoning ordinances and local pressure groups have slapped restrictions on drive-thru windows, signage and building designs and, on occasion, have prevented new construction entirely.

Here's what some major chains are doing to fight back:

- Wendy's spent 40% more on initial land and construction costs for its outlet in exclusive Shaker Heights, Ohio.
- Hardee's uses a flexible building-design package that can be changed to meet various local requirements.

*(See **CHAINS**, page 179)*

Goodall forges buyout

Jack in the Box sells for $500M

ST. LOUIS — Ralston Purina has signed a definitive agreement to sell its Foodmaker restaurant subsidiary to Foodmaker president and chief executive Jack Goodall, other top executives and an investment partnership. The selling price is $500 million.

Goodall

Foodmaker operates the 800-unit Jack in the Box fast-food chain, which reportedly has been on the block since Ralston Purina sold its dinner-house division last year to Vicorp Restaurants. With Foodmaker sale, Ralston Purina will bow out of food service.

The Foodmaker executives teamed up with Forstmann Little & Co., a New York-based investment partnership, in the bid for the company.

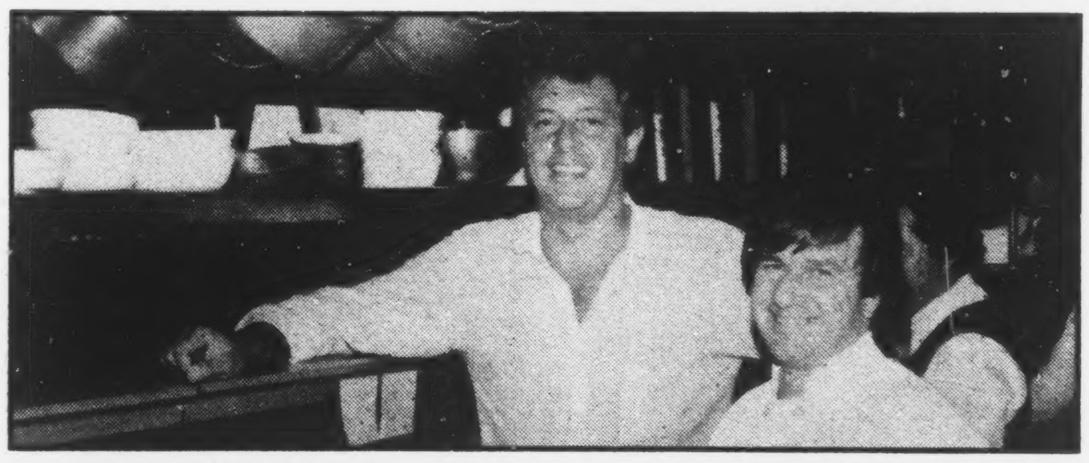
Goodall led a successful

*(See **GOODALL**, page 179)*

Le Dôme owners to open downscale café

By Richard Martin

WEST HOLLYWOOD, Calif. — After nimbly steering their glamorous Sunset Strip restaurant-bistro through numerous menu-and-price strategies over the last seven years, Le Dôme co-owners Eddy Kerkhofs and Michel Yhuelo have improvised once again—this time with a new concept aimed at a more casual crowd of budget-minded gastronomes.



Eddy Kerkhofs (left), co-owner of Le Dôme and Café Colorado, with Le Dôme chef Jean Claude Bourlier.

Café Colorado, offering Belgian and French country dishes on Kerkhofs' downscale menu featuring a "Spanek method" vertically roasted chicken, is due to open this month next door to the high-grossing Cutters restaurant in Santa Monica's Colorado Place office-dining complex.

With Café Colorado, the partners further the culinary evolution that over the years moved the elegant Le Dôme from brasserie fare to a classical repertoire to nouvelle cuisine—and, more recently, to a popular mixed-bag menu of mostly European country dishes, half of them changed every two weeks.

Again demonstrating the adaptive instincts that enabled Le Dôme to survive the flurry of food trends that has transformed dining out in Los Angeles, Kerkhofs and Yhuelo have fashioned for their new café a seductively simple menu geared toward an expanding market of discerning but less affluent "foodies."

"What we're trying to do is give a full plate of good, sim-

*(See **CAFE**, page 14)*

INSIDE NRN

'SECOND WAVE' FAST FOOD
Trio launches chain of mall-based mini-stores 41

PANCHO'S UPS PACE
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NEWSPAPER

McFaddin eyes Studebaker's

Sargent, Cordray zero in on purchase agreement

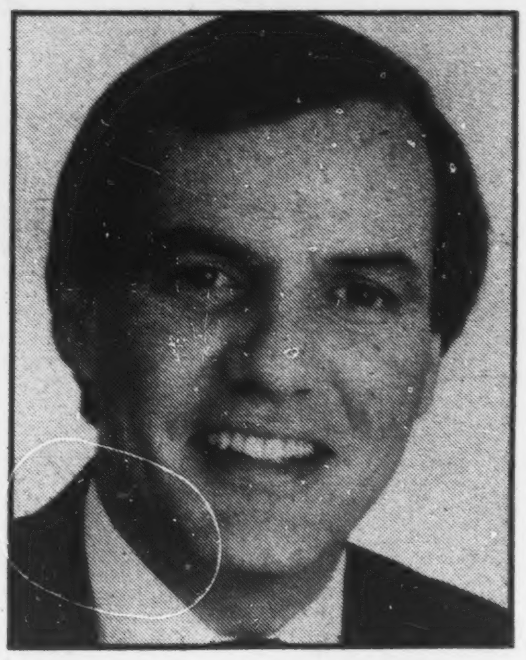
By Howard Riell

HOUSTON — McFaddin Ventures, one of the largest operators of singles-oriented "atmosphere" clubs, is reportedly close to striking a deal to purchase Dallas-based Studebaker's of America, a 17-unit chain of nostalgia-theme clubs, according to a source close to the negotiations.

J. Stuart Sargent, Studebaker's president, and Jean Cordray, McFaddin's coordinator of investor and stockholder relations, confirmed that talks between the two companies are under way. Sargent said he and McFaddin's chairman-chief executive, Lance McFaddin, have been "talking off and on for a while."

Such a deal, Sargent added, would give Studebaker's "a lot of muscle" and "help us grow a little faster." Studebaker's operates in 10 states, primarily in the Southwest.

If McFaddin were to acquire Studebaker's, it would add to its stable of restaurant-clubs one of the hottest concepts in the singles segment. Studebaker's uses a nostalgia theme keyed to 1950's and 1960's rock 'n' roll. McFaddin develops and operates Confetti, Todd's, Thrills, the Acapulco Bar, American Pie, Rodeo, Huarache's and Elan in Texas, Colorado, Tennessee, Georgia, Florida and California. Studebaker's oprates in 10 states.



J. Stuart Sargent

Meanwhile, Studebaker's opened on May 6 its first In The Mood restaurant—a 1940's swing era-big band concept—in Clearwater, Fla. Another new concept, The Palm Beach Club, featuring a "con-

*(See **STUDEBAKER**, page 179)*

Losers whip gainers 3-1 as Index plummets 3.5 pts.

By Don Jeffrey

NEW YORK — Reflecting a weak overall stock market, the *Nation's Restaurant News* Food-Service Operators Stock Index plunged 3.5 points in the week ended May 3, closing at 118.

Declining issues on the full, 112-stock *NRN* list, overwhelmed advancing issues, 62 to 21, with 29 unchanged in price.

The Dow Jones Industrial Average dropped 27.94 points in the week, closing at 1,247.24. Investors were disappointed about low corporate profits, sluggish economic growth and the unresolved trade-deficit problem.

Calibre Corp. led the percentage price gainers, up 13¢, to close at 88¢. No widely held food-service stock performed well in the week.

Folks Restaurants, a Po Folks franchisee, had the biggest weekly volume surge over the previous 12-week average, with 15,600 shares changing hands.

Fuddruckers led the percentage-price decliners, down $1.38, to close at $7.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Folks Rest O	420.0	Fresher Cooker O	112.8
Family Showtime O	312.5	Luby's Cafe N	100.0
Karcher Carl M	185.8	Sonesta Intl M	100.0
Shoney's South M	151.8	Natl Pizza M	73.7
Horn & Hardart A	145.3	Benihana Natl M	71.2

TOP TEN GAINERS

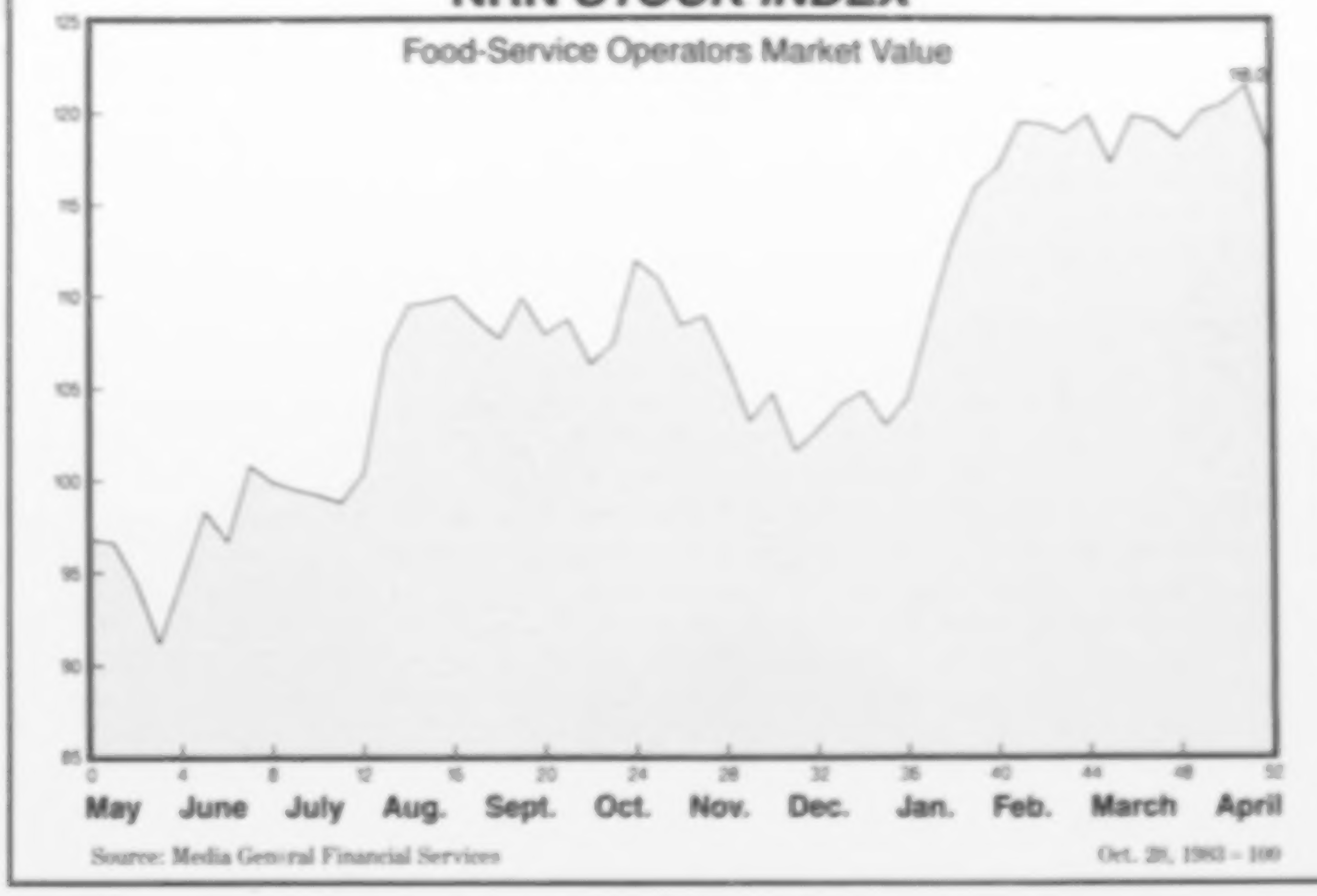
Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Calibre Cp M	16.7	1 Potato 2 O	7.7
Kapok Cp A	15.8	Maverick Rest O	3.8
Intl Dairy Queen O	14.0	Pancho Mex Buffet M	3.5
Good Taco M	10.0	Am Restaurants O	3.2
Horn & Hardart A	8.4	Capt Crab M	3.0

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Fuddruckers Inc M	- 16.4	Lifestyle Rest A	- 10.0
Brock Hotel Cp N	- 13.6	Karcher Carl M	- 9.9
Acapulco Rests M	- 11.6	DLites Of Amer M	- 8.8
Esteban Foods O	- 11.1	Benihana Natl M	- 8.2
Victoria Stations M	- 10.0	Collins Foods N	- 8.1

	Stock Market											Financial Update																	
	Price							Volume					Indicated Div. Rate		Latest Report			Latest Quarter						Year-to-Date					
	5-03-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	5.75	- .38	- 6.1	6.13	5.63	7.50	3.50	98	.27	1.29	- 79.1	18.0	.00	.0	—	fiscal	12-84	9.9	20.7	.0	- 100.0	.02	- 60.0	32.0	26.0	1.1	.0	.32	- 20.0
Acapulco Rests M	4.75	- .63	- 11.6	5.38	4.75	5.38	3.50	170	.69	.89	- 22.5	16.4	.00	.0	—	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants O	4.00	.13	3.2	4.13	3.88	6.00	2.38	33	.14	.39	- 64.1	30.8	.00	.0	—	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts M	12.63	.00	.0	12.75	12.25	17.13	10.88	987	2.23	2.23	.0	15.2	.12	1.0	—	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Benihana Natl M	18.25	- 1.63	- 8.2	18.88	17.13	21.75	10.25	2,195	7.55	4.41	71.2	19.8	.00	.0	—	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms M	20.75	.25	1.2	20.75	20.25	20.75	14.75	1,695	1.04	1.11	- 6.3	19.2	.30	1.4	—	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp M	.88	.13	16.7	1.13	0.88	5.50	.63	118	.39	.27	44.4	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	12.50	- .13	- 1.0	12.63	12.50	13.25	7.25	1,085	2.39	2.55	- 6.3	20.5	.16	1.3	—	9 mos.	11-84	13.6	32.0	.9	28.6	.19	18.8	38.6	27.4	2.3	43.8	.50	22.0
Capt Crab M	2.13	.06	3.0	2.13	1.94	5.00	1.38	3,623	2.37	2.14	10.7	NE	.00	.0	—	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp N	9.63	- .25	- 2.5	9.88	9.50	11.50	7.88	336	.43	.65	- 33.8	13.0	.07	.7	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's M	9.88	- .13	- 1.3	9.88	9.63	18.25	9.63	3,579	1.33	2.84	- 53.2	15.7	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc M	26.88	- 1.00	- 3.6	27.88	26.50	28.88	12.75	1,812	3.90	2.60	50.0	34.9	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch N	17.25	- .88	- 4.8	18.50	17.00	19.25	11.38	2,133	.57	1.60	- 64.4	14.9	.44	2.6	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods N	19.88	- 1.75	- 8.1	21.50	19.75	23.00	10.50	1,015	.77	1.11	- 30.6	15.1	.16	.8	—	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev O	12.63	.13	1.0	13.13	12.50	16.50	5.75	1,172	2.27	1.53	48.4	16.4	.00a	.0	—	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts M	4.75	.00	.0	4.75	4.63	6.13	4.63	23	.06	.31	- 80.6	13.6	.08	1.7	—	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant M	4.75	- .25	- 5.0	4.88	4.63	13.50	4.50	472	1.04	1.55	- 32.9	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel M	13.00	- .75	- 5.5	14.00	13.00	23.50	11.75	340	.95	1.06	- 10.4	15.7	.14	1.1	—	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc O	5.25	.00	.0	6.00	5.25	5.75	2.75	37	.21	.59	- 64.4	40.4	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods M	10.50	.00	.0	10.63	10.38	16.25	8.00	25,324	7.51	7.27	3.3	25.6	.34	3.2		3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer M	12.88	- 1.25	- 8.8	14.38	12.63	15.50	10.88	1,724	3.42	3.27	4.6	NM	.00	.0	—	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts M	19.50	- .75	- 3.7	20.38	19.50	20.38	13.00	1,206	1.69	2.28	- 25.9	15.0	.24	1.2	—	3 mos.	01-85	140.7	589.7	2.6	13.0	.36	16.1	140.7	589.7	2.6	13.0	.36	16.1
El Chico M	9.88	- .38	- 3.7	10.25	9.88	10.88	7.25	284	.61	1.89	- 63.9	12.7	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest N	14.50	- .50	- 3.3	15.00	14.38	15.38	9.63	278	.25	.61	- 59.0	14.2	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Family Showtime O	.38	.00	.0	0.63	0.38	1.63	.38	115	.33	.08	312.5	6.3	.00	.0	—	3 mos.	09-84	3.8	375.0	(.1)	NE	(.04)	NE	3.8	375.0	(.1)	NE	(.04)	NE
Fast Food Oper O	.63	.00	.0	0.75	0.63	1.63	.63	49	.08	.49	- 83.7	8.9	.00	.0	—	9 mos.	09-84	2.2	46.7	.1	.0	.01	NC	6.0	33.3	.2	.0	.03	50.0
Flakey Jakes M	6.88	- .13	- 1.8	6.88	6.63	9.13	5.13	983	1.41	2.71	- 48.0	NE	.00	.0	—	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Folks Rest O	2.50	.00	.0	3.50	2.50	7.38	2.50	156	1.04	.20	420.0	NE	.00	.0	—	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	- 100.0
Fresher Cooker O	1.88	- .13	- 6.3	2.38	1.88	6.75	1.50	371	1.66	.78	112.8	NE	.00	.0	—	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's A	20.38	.00	.0	20.38	20.25	20.88	12.38	126	.29	.20	45.0	17.3	.22	1.1	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc M	7.00	- 1.38	- 16.4	8.00	6.38	15.13	6.63	4,804	7.39	4.57	61.7	NM	.00	.0		3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot M	2.00	- .06	- 3.0	2.19	1.94	6.38	1.63	1,052	1.76	1.54	14.3	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco M	.69	.06	10.0	0.69	0.63	3.50	.25	103	.35	2.50	- 86.0	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet O	14.25	.00	.0	15.00	14.25	14.50	9.75	1	.01	.18	- 94.4	7.7	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	5.25	- .25	- 4.5	5.25	4.88	7.00	3.63	328	1.14	2.07	- 44.9	27.6	.00	.0	—	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen O	49.00	6.00	14.0	51.00	43.00	50.50	38.00	63	.32	.27	18.5	13.5	.00	.0	—	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab M	18.25	- .75	- 3.9	19.00	18.25	24.75	13.41	474	1.66	3.65	- 54.5	13.6	.00a	.0	—	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest M	14.50	- .75	- 4.9	15.00	14.50	15.50	7.34	924	2.64	4.58	- 42.4	18.1	.16	1.1	—	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc M	19.00	- .50	- 2.6	19.00	18.75	19.50	13.50	3,903	2.47	3.59	- 31.2	13.8	.12	.6	—	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp A	2.75	.38	15.8	2.88	2.38	3.88	1.13	193	.86	1.05	- 18.1	4.3	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	16.00	- 1.75	- 9.9	17.13	15.50	29.63	13.50	3,411	4.83	1.69	185.8	9.6	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston M	.44	.00	.0	0.56	0.25	6.25	.25	3,703	4.34	3.25	33.5	NE	.00	.0	—	3 mos.	06-84	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0	28.3	155.0	(3.7)	- 100.0	(.44)	- 100.0
Lifestyle Rest A	2.25	- .25	- 10.0	2.50	2.25	3.75	1.75	184	.32	.61	- 47.5	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe N	27.88	.25	.9	28.00	26.50	32.00	23.63	1,261	1.04	.52	100.0	18.3	.54	1.9	—	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp O	16.25	- .88	- 5.1	16.88	16.25	17.13	11.88	106	.21	.31	- 32.3	10.6	.28	1.7	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	82.50	- 2.88	- 3.4	84.88	82.25	87.75	60.00	1,900	.74	.66	12.1	15.9	.54	.7		fiscal	12-84	1122.2	18.3	43.8	41.3	1.64	47.7	3524.9	16.1	139.8	21.4	5.18	24.8
Maverick Rest O	3.38	.13	3.8	3.50	3.25	6.25	2.25	90	.18	.34	- 47.1	42.2	.00	.0	—	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's O	3.25	.00	.0	3.75	3.25	5.75	2.50	29	.16	.67	- 76.1	NE	.00	.0	—	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp N	60.13	- 2.38	- 3.8	62.63	59.25	63.38	40.84	7,392	.86	.98	- 12.2	13.7	.82	1.4	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures M	11.00	.00	.0	11.00	11.00	12.25	9.63	93	.19	.51	- 62.7	16.2	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc M	19.50	- .38	- 1.9	19.63	19.25	19.88	13.25	2,535	1.91	1.64	16.5	13.0	.48	2.5	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak O	2.63	- .13	- 4.5	2.88	2.63	3.13	1.13	199	.42	1.09	- 61.5	NE	.00	.0	—	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express O	1.00	.00	.0	1.13	1.00	2.50	1.00	207	.92	.81	13.6	NE	.00	.0	—	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans O	3.88	.00	.0	4.00	3.88	4.50	1.78	121	.54	1.00	- 46.0	15.5	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza M	9.00	.00	.0	9.50	8.75	9.75	7.50	182	.33	.19	73.7	10.0	.00	.0	—	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc M	4.88	- .25	- 4.9	4.88	4.63	10.13	4.63	840	1.88	4.83	- 61.1	NE	.00	.0	—	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
Noble Roman O	16.75	.00	.0	17.25	16.75	17.00	11.75	12	.20	.78	- 74.4	27.0	.00	.0	—	fiscal	12-84	4.4	51.7	.0	- 100.0	.06	- 60.0	17.8	53.4	.1	- 66.7	.24	- 61.3
1 Potato 2 O	1.75	.13	7.7	2.00	1.75	12.25	1.25	44	.20	.89	- 77.5	35.0	.00	.0	—	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC
Old Fashion Fd M	5.00	.00	.0	5.00	4.50	6.25	4.00	60	.43	.35	22.9	10.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet M	7.38	.25	3.5	7.50	7.13	8.25	6.00	2,989	8.05	6.74	19.4	13.2	.13	1.8	—	3 mos.	12-84	7.9	14.5	.2	.0	.09	12.5	7.9	14.5	.2	.0	.09	12.5
Peoples Rest M	.31	.00	.0	0.38	0.25	2.88	.25	3,276	3.80	3.22	18.0	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.38)	- 100.0
Piccadilly Caf M	20.75	.25	1.2	21.00	20.50	24.25	16.50	422	.70	1.66	- 57.8	13.1	.60	2.9	—	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4

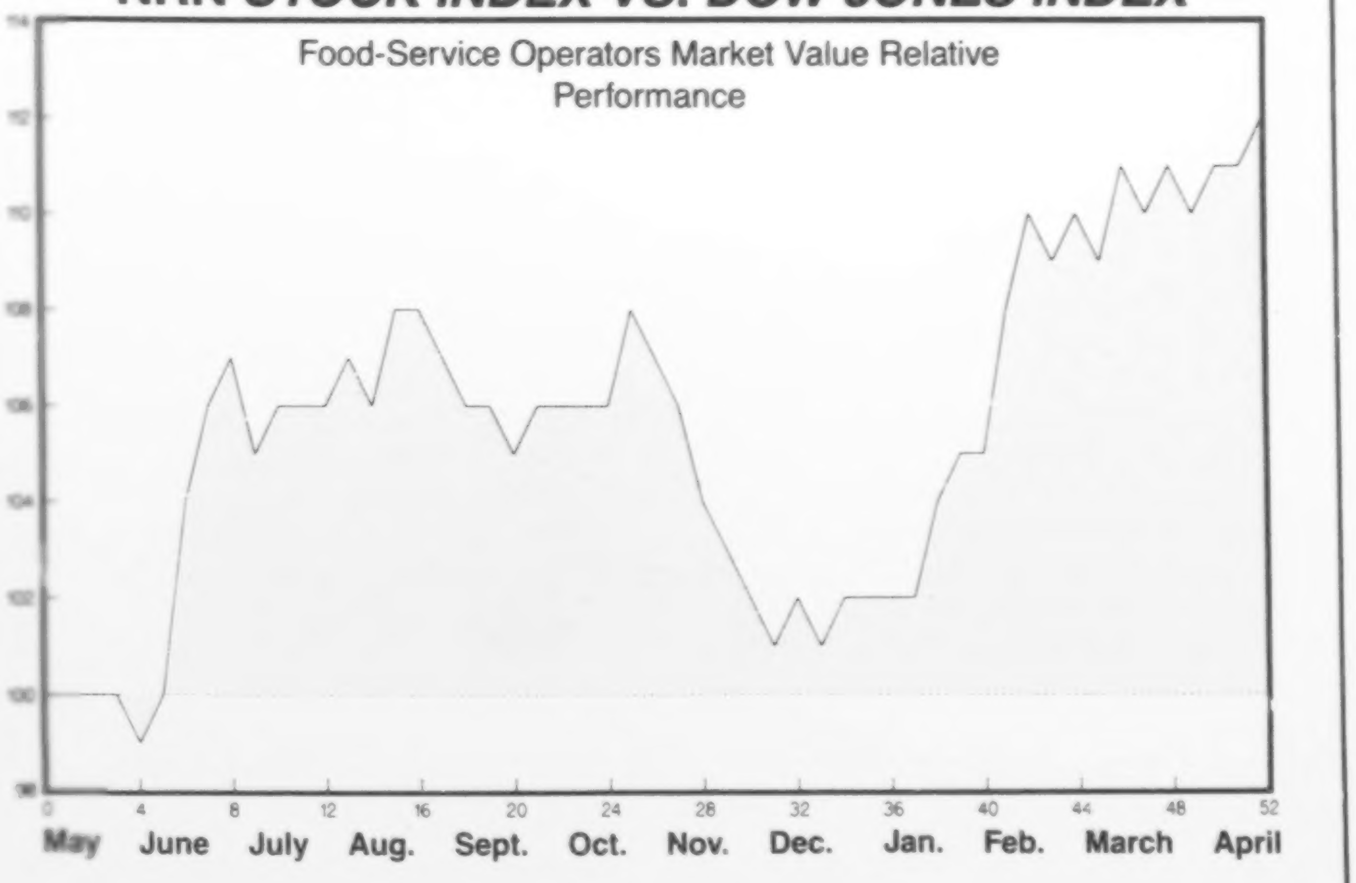
NRN STOCK INDEX


Food-Service Operators Market Value

Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX


Food-Service Operators Market Value Relative Performance

	Stock Market											Financial Update																	
	Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
	5-03-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Indicated Divd. Rate		New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Amt.	Pct.	High	Low	High	Low	Total	% Out				Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.38	.13	1.5	8.50	8.13	12.75	6.88	207	.68	1.08	- 37.0	16.1	.08	1.0	....	fiscal	12-84	50.0	33.3	(.9)	- 100.0	(.29)	- 100.0	185.6	24.6	1.6	- 55.6	.52	- 54.8
Po-Folks M	10.50	- .50	- 4.5	11.00	10.50	16.63	8.75	164	.37	.87	- 57.5	15.0	.00	.0		6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys N	11.88	- .38	- 3.1	12.38	11.25	21.63	11.25	1,585	1.65	2.35	- 29.8	6.9	.40	3.4	....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc O	2.50	.00	.0	2.63	2.38	4.63	2.38	209	.62	.81	- 23.5	NE	.00	.0	....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
RAX Restaurants M	9.25	- .25	- 2.6	9.50	9.00	16.38	8.00	391	.58	.72	- 19.4	22.6	.00	.0	....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	7.75	- .38	- 4.6	8.00	7.75	8.88	5.38	27	.10	.64	- 84.4	14.1	.00	.0		fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	13.88	- .13	- .9	13.88	13.75	16.50	9.00	181	.78	1.29	- 39.5	15.6	.00	.0	....	fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzys G D M	2.88	.00	.0	2.88	2.75	7.25	1.75	412	.78	.82	- 3.7	NE	.00	.0	....	fiscal	12-84	3.3	37.5	(2.7)	NC	(.52)	- 100.0	13.9	63.5	(4.3)	NE	(.83)	NE
Rusty Pelican M	16.25	.00	.0	16.38	16.00	18.25	11.00	470	1.66	.98	69.4	21.7	.00	.0	....	6 mos.	01-85	10.9	43.4	.2	- 50.0	.04	- 73.3	21.5	40.5	.5	- 16.7	.18	- 35.7
Ryans Fam Steak M	17.00	.50	3.0	17.00	16.25	17.75	11.25	773	1.12	1.31	- 14.5	30.9	.00	.0		3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp N	27.00	- 1.50	- 5.3	28.50	26.75	35.50	26.75	1,249	.95	1.36	- 30.1	10.8	.52	1.9		9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef O	7.00	.00	.0	7.50	7.00	9.00	6.75	42	.33	.89	- 62.9	12.3	.00	.0		9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	9.00	.13	1.4	9.00	8.75	11.00	6.50	1,149	3.15	5.70	- 44.7	4.6	.00	.0	....	fiscal	12-84	17.9	- 1.6	2.4	NE	.59	- 71.5	66.2	- 9.3	7.7	NE	1.94	- 9.8
Shoney's Inc M	29.88	- .25	- .8	30.75	29.63	30.75	16.22	2,254	.80	1.42	- 43.7	26.2	.15	.5	....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	14.00	.00	.0	14.13	13.88	16.59	11.09	1,583	2.82	1.12	151.8	11.2	.00	.0	....	fiscal	12-84	41.3	25.2	1.5	50.0	.25	38.9	168.6	19.1	7.3	49.0	1.25	22.5
SIS Cp M	4.63	.13	2.8	4.63	4.00	7.25	3.25	111	.72	.49	46.9	NE	.00	.0	....	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl M	20.50	.50	2.5	20.50	20.00	20.50	11.50	788	1.14	.97	17.5	14.7	.00	.0	....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	10.13	- .25	- 2.4	10.38	10.13	12.50	8.00	273	1.00	1.81	- 44.8	10.9	.06	.6	....	fiscal	12-84	20.8	28.4	.9	50.0	.33	50.0	63.1	26.2	2.5	25.0	.93	14.8
So Hospitality M	5.25	- .38	- 6.7	5.63	5.13	5.88	3.75	1,198	2.40	3.18	- 24.5	15.0	.00	.0	....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	1.00	- .03	- 3.0	1.06	1.00	1.44	.75	1,563	1.03	.80	28.8	100.0	.00	.0	....	fiscal	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	2.13	.00	.0	2.38	2.13	3.63	1.88	93	.29	.96	- 56.1	NE	.00	.0		3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	6.25	- .25	- 3.8	6.75	6.25	7.75	4.75	79	.20	.33	- 39.4	20.8	.00	.0	....	fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva M	6.50	.00	.0	6.50	6.38	7.50	4.66	385	1.07	1.20	- 10.8	19.1	.00	.0	....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	11.00	- .50	- 4.3	11.50	10.88	13.13	7.88	460	.40	.62	- 35.5	16.4	.00	.0		3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.25	.00	.0	2.75	2.25	3.75	2.25	18	.12	.13	- 7.7	NE	.00	.0		fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
Transworld N	32.63	- .50	- 1.5	33.25	32.25	37.63	24.50	3,700	1.13	2.16	- 47.7	10.4	.48	1.5	....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes M	4.88	- .25	- 4.9	5.13	4.75	5.75	2.75	802	1.28	4.13	- 69.0	12.2	.28	5.7	....	3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants M	24.50	- .38	- 1.5	24.75	23.75	26.88	13.25	1,175	1.77	4.30	- 58.8	18.4	.12	.5	....	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations M	3.38	- .38	- 10.0	3.75	3.38	7.38	2.13	342	.96	2.72	- 64.7	NE	.00	.0	....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	16.13	- .63	- 3.7	17.00	15.50	17.75	10.78	14,512	1.98	1.79	10.6	16.8	.21	1.3		3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer O	9.00	.00	.0	10.50	9.00	12.00	9.00	10	.08	.38	- 78.9	15.8	.20	2.2	....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	7.38	- .50	- 6.3	7.88	7.00	13.38	5.13	318	.71	1.86	- 61.8	19.9	.00	.0	....	fiscal	12-84	28.7	13.9	.3	- 66.7	.07	- 63.2	108.4	22.9	1.6	- 44.8	.37	- 43.1
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.38	- .38	- 13.6	2.75	2.38	5.63	2.38	941	.71	.74	- 4.1	NE	.10	4.2		3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	65.13	- 3.00	- 4.4	70.00	65.00	73.50	45.50	7,972	3.22	2.52	27.8	14.3	1.80	2.8	....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	53.00	- .88	- 1.6	53.75	52.25	54.88	35.25	4,497	1.29	1.93	- 33.2	14.8	1.00	1.9	....	fiscal	12-84	430.9	9.6	20.6	33.8	.59	40.5	1759.8	11.0	131.0	5.3	3.59	9.5
Prime Mtr Inn N	26.38	- 1.25	- 4.5	28.00	26.25	28.50	13.50	1,836	.95	.91	4.4	25.6	.09	.3	....	6 mos.	12-84	67.8	321.1	5.5	37.5	.28	33.3	115.7	256.0	11.3	31.4	.58	28.9
Ramada Inns N	7.38	- .25	- 3.3	8.13	7.38	8.25	5.13	7,105	1.91	1.98	- 3.5	56.7	.00	.0	....	fiscal	12-84	151.7	13.0	(2.1)	- 100.0	(.05)	- 100.0	598.1	4.6	4.7	11.9	.13	.0
Servico Inc M	19.88	- .13	- .6	20.50	19.50	22.28	13.63	147	.42	.38	10.5	11.0	.00a	.0	....	fiscal	12-84	42.8	8.4	.1	- 90.9	.00	- 100.0	181.9	20.5	6.3	70.3	1.80	66.7
Sonesta Intl M	24.63	.63	2.6	26.50	24.00	27.00	18.00	30	.20	.10	100.0	7.2	.40	1.6	....	fiscal	12-84	17.7	- 1.1	5.9	NE	3.83	NE	74.9	2.0	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev M	18.38	- 1.63	- 8.1	19.13	17.50	22.63	13.50	2,015	3.36	2.71	24.0	11.1	.40	2.2	....	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	8.13	.00	.0	8.25	7.63	13.22	7.25	449	.95	1.33	- 28.6	NM	.48	5.9	....	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	77.00	- 1.13	- 1.4	78.00	74.38	81.13	45.25	3,946	1.19	1.45	- 17.9	53.5	1.20	1.6		6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods O	2.00	- .25	- 11.1	2.25	2.00	3.13	1.13	85	.36	.84	- 57.1	22.2	.00	.0	....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	52.88	- 1.00	- 1.9	54.25	52.00	60.63	47.75	11,614	2.62	1.61	62.7	31.3	2.24	4.2	....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	39.00	- .63	- 1.6	39.63	38.50	44.50	36.50	6,505	1.34	1.04	28.8	10.3	2.80	7.2	....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	11.25	.88	8.4	11.75	10.25	17.72	8.63	4,154	3.36	1.37	145.3	15.8	.00a	.0	....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	29.63	- .75	- 2.5	30.25	29.13	31.88	24.13	1,836	.97	.79	22.8	14.5	1.80	6.1	....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc N	53.25	.00	.0	55.00	52.75	55.25	39.63	19,728	2.06	1.90	8.4	14.5	1.68	3.2		fiscal	12-84	2272.7	- 1.4	89.6	16.1	.95	15.9	7698.6	8.5	348.6	22.7	3.67	21.9
Pillsbury Co N	46.50	- 1.13	- 2.4	47.63	44.75	49.50	34.50	4,560	1.05	.91	15.4	10.5	1.56	3.4	....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	11.75	.13	1.1	11.75	11.38	15.25	10.50	873	.81	.97	- 16.5	19.3	.23	2.0	....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

SBA lending may hurt business more than it helps

By Rick Telberg

The nation's restaurant industry seems to have more at stake in the planned emasculation of the U.S. Small Business Administration than any other business. But opposition from restaurant operators to the Reagan Administration plan to dismantle the S.B.A. is noticeably muted.

"There isn't a lot of support for the S.B.A.," said Ron Sarasin, Government affairs director for the National Restaurant Association in Washington.

"For those restaurateurs that have been involved with the S.B.A., it is very important," Sarasin said. "But the S.B.A. touches barely 1% of the industry."

Last year the S.B.A. extended $328.8 million in credits, either direct loans or loan guarantees, to 1,794 of the nation's 163,091 restaurant companies. No other category of business scored more.

Last year was no exception. Since 1978, the S.B.A. has lent or backed loans for $1.8 billion to 12,738 restaurant companies. No other category garnered even a third of that.

Although the Reagan Administration has proposed saving the S.B.A. as an independent agency, budget cutters would kill $3.3 billion-a-year lending programs.

"Without the S.B.A.," Missouri restaurateur William Saigh told the Senate Small Business Committee, "the undercollateralized budding entrepreneur has nowhere to turn." Saigh was turned down by 17 banks. His $50,000 S.B.A. loan helped him develop a five-unit chain of Lettuce Leaf restaurants in St. Louis and Kansas City.

The main S.B.A. functions that would remain are procurement, aiding companies seeking Government contracts, and advocacy, representing small-business interests before other Federal agencies and Congress.

Sen. Lowell Weicker (R-Conn.) is leading a drive to save the agency's venture-capital programs by creating a new, Federally chartered corporation for small business investment, which has some merit. But venture capital remains an insignificant factor in restaurant financing.

The Reagan Administration figures $3 billion to $5 billion could be trimmed from the budget over the next three years by curtailing the 4,200-employee S.B.A. Though the saving is only a drop in the $200 billion-a-year bucket of deficits, the Administration seems to have touched a free-market nerve among businessmen who resent Government-aided competition.

S.B.A. Loans, Administration budget director David Stockman testified, "help an infinitesimal fraction of small businesses compete with other small businesses in the same trade."

Almost 17,000 new restaurant firms are born every year. "Marketplace opportunities for profit and independent entrepreneurship," Stockman said, "rather than subsidized credit, drive the staggering outpouring of new firms in this business line."

"Only one conclusion can be drawn," Stockman said. "Current S.B.A. spending levels have virtually no impact on new business formation rates but run a significant risk of incurring losses for no valid public purpose."

Even the S.B.A.'s defenders admit the agency runs tremendous loss ratios. Roughly 25% of its direct loans default. And about 10% of the guaranteed loans turn bad. The average bank is in trouble with a 2% or 3% loss ratio.

Some of the losses can, of course, be traced to the nature of the borrowers, borrowers with ventures so risky that at least three banks have already turned them down.

But the result is that 99% of the nation's restaurateurs who do not tap the S.B.A. find themselves challenged by a Government-subsidized competitor—a competitor who may not have been allowed to open without the S.B.A., is more prone to failure and is more likely to undercut legitimate operators. Ironically, the S.B.A. may hurt more small businesses than it helps.

"Our official position," said the NRA's Sarasin, "is that the S.B.A. ought to stay. But Stockman does make a very persuasive argument."

* * *

STOCK-PICKER'S PICKS: Michael Culp at Prudential-Bache in New York has restored his top rating for Jerrico (recent price: $18). Weather was to blame for depressed March-quarter earnings, he said. But sales are snapping back with new products, and expansion is set to accelerate, he explained.

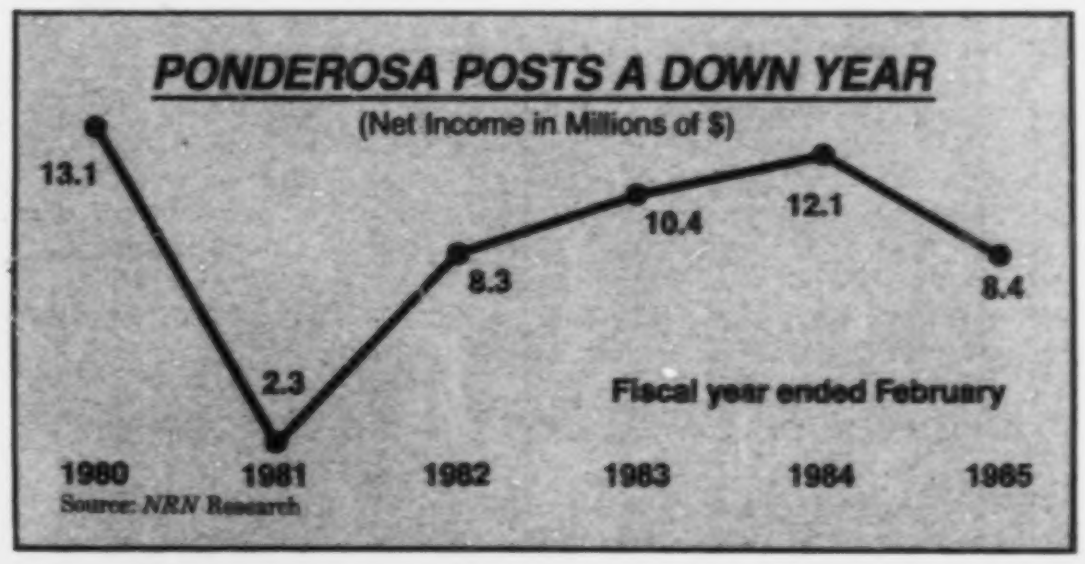
Downside risk is minimal, he said, about $16. Upside potential? Well, the value of the company's poison pill adopted last year goes automatically from $32 per share to $35.20 this summer.

Ponderosa's profit drops 31%

DAYTON, Ohio — Citing a money-losing final quarter, Ponderosa Inc. closed fiscal 1985 on Feb. 28 with $8.4 million in net profit, a 31% slide from 1983's figure. Revenue rose 20%, to $513.3 million.

The company lost $3.1 million in the fourth quarter, compared with a $3.5 million net profit the year before. Fourth-quarter sales edged up 2%, to $146.6 million.

The company said the final quarter was hurt by bad weather and "a greater summer-to-winter seasonal decline from the company's new salad and buffet sales."



Source: *NRN* Research

Fourth-quarter traffic counts fell 12% from those of the year before, and unit-level sales were down 7%. For the year customer traffic was up 7%, and average checks were up 10%.

The company said it is working on new products and programs that may produce results later this year.

There were 433 Ponderosa steakhouses and 20 Casa Lupita Mexican dinnerhouses at year-end. Last year there were 658 Ponderosas and nine Casa Lupitas.

Pizza Hut licensees play leapfrog

By Don Jeffrey

Who's the biggest Pizza Hut franchisee?

Just as in a tight pennant race, the standings keep changing month after month, as two publicly owned franchise companies leapfrog over each other in a friendly rivalry.

Pizza Hut
Pizza Hut

Until January, Tulsa-based A & M Food Services was in the lead, with about 100 units.

Last month Kansas-based National Pizza Co. pulled way ahead with 134 units after acquiring a smaller franchisee.

Now this month A & M is back in front with 149 units, after purchasing 49-unit Iowa-based franchisee El Kram for about $15 million in assets, stock, cash and notes.

Next month? Could be National Pizza Co. on top again. Chief financial officer James Melillo said, "We'd like to close on an acquisition. We're beyond the looking stage."

Melillo described all the leapfrogging as a "positive, fun rivalry."

A & M's president William Ferril echoes that sentiment. "We're good friends," he said, and then added, "I have to admit it feels good to be the largest in a system as dynamic as this."

Even if it's only for a month.

A & M expects to make El Kram a wholly owned subsidiary at the end of this month. Larry Kreigh, who started El Kram, will remain as president. Its sales for the year were $19.5 million.

A & M, in its first quarter, ended March 19, registered a 22% sales increase, to $7.8 million, and a 14% net profit rise, to $292,000, compared with the figures for the same period last year. National Pizza Co., in its third quarter, ended Dec. 25, had a 14% sales gain, to $9.9 million, and a slight increase in net profit, to $851,000.

NRN FINANCIAL DIGEST

Wendy's net rises to $14.5M

DUBLIN, Ohio — Wendy's International said net profit for the first quarter ended March 31 was $14.5 million, up 11.5% from the year-ago quarter's figure. Revenue rose 15%, to $236.5 million. Weather hurt, Wendy's said.

Pizza Hut, Taco Bell slow

PURCHASE, N.Y. — PepsiCo Inc., reporting the first quarter ended March 23, said its combined Pizza Hut and Taco Bell operations raised operating profit 5% from the year-ago quarter figure on a 17% sales gain. Real sales were up 4% on an 8% sales-per-unit rise. Higher promotional spending and bad weather slowed earnings gains, PepsiCo said.

Diversifoods' income plummets

ITASCA, Ill. — Diversifoods Inc. said net income for the first quarter ended March 31 fell 76% from the prior-year quarter's figure, to $1.3 million. Revenue rose 2%, to $128.2 million.

The company cited increased interest expense, reduced capital-gains income and losses at Godfather's Pizza and Luther's Bar-B-Q restaurants.

T.G.I. Friday's profit up 11%

DALLAS — T.G.I. Friday's said net income for the first quarter ended April 1 rose 11% from the year-ago quarter's figure, to $3.4 million, on a 17% revenue rise to $76.3 million.

Sea Galley's revenue shrinks

MOUNTLAKE TERRACE, Wash. — Operating with five fewer restaurants than it had a year ago, Sea Galley Stores Inc. said net income for the first quarter ended March 24 fell 6%, to $1.98 million, as revenue shrank 9%, to $14.6 million. Earnings per share rose 4¢, to 57¢, as the result of a buyback program.

Flakey Jake's posts 1st-qtr. loss

MOUNTLAKE TERRACE, Wash. — Flakey Jake's Inc. lost $515,000 in the first quarter ended March 24, compared with a $130,000 deficit in the year-ago quarter. Revenue rose to $5.3 million from $1.6 million. There are 31 Flakey Jake's hamburger restaurants.

C5150-3

BURGER KING BEEFS UP WHOPPER

Chain will spend $300 million in upscale marketing push

By Mark Schoifet

MIAMI — Burger King is poised to enlarge its Whopper burger as part of a bold upscale marketing thrust that includes a blockbuster $300 million outlay to redesign more than 3,000 units, *Nation's Restaurant News* has learned.

The dramatic change in Burger King's signature item is consistent with a sweeping new strategy that appears designed to reposition the chain a niche above archrival McDonald's.

One source in the 4,000-unit chain said the Whopper is being altered to "increase the level of quality." But another source said the move is "in response to the competition," probably referring to Wendy's, which views itself in a position above McDonald's and Burger King, and a host of new burger chains, such as Fuddruckers and Flakey Jake's.

Meanwhile, *NRN* has also learned that J. Walter Thompson, Burger King's advertising agency, is preparing an aggressive summer campaign that may be tied to the new Whopper. "We're working on a major secret project," said Daniel Katsin, the agency's supervisor for the Burger King account.

Burger King president Jay O. Darling declined several requests for comment.

The Whopper, Burger King's best-selling menu item, consists of a 3.6-oz. cheeseburger topped with lettuce, tomato, pickles, onions and sauce and served on a soft bun.

The highlights of Burger King's new marketing plan include:

- Changing plastic seats and tables to wood and replacing plastic room dividers with hanging plants. The remodeled units will be framed by greenhouse-style windows.
- Phasing out the comparative advertising approach, which has worked well for the chain since September 1982, in favor of a more positive plan.

*(See **BK**, page 231)*

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Groups forge new markets

Operators shunning cookie-cutter route

By Paul Frumkin

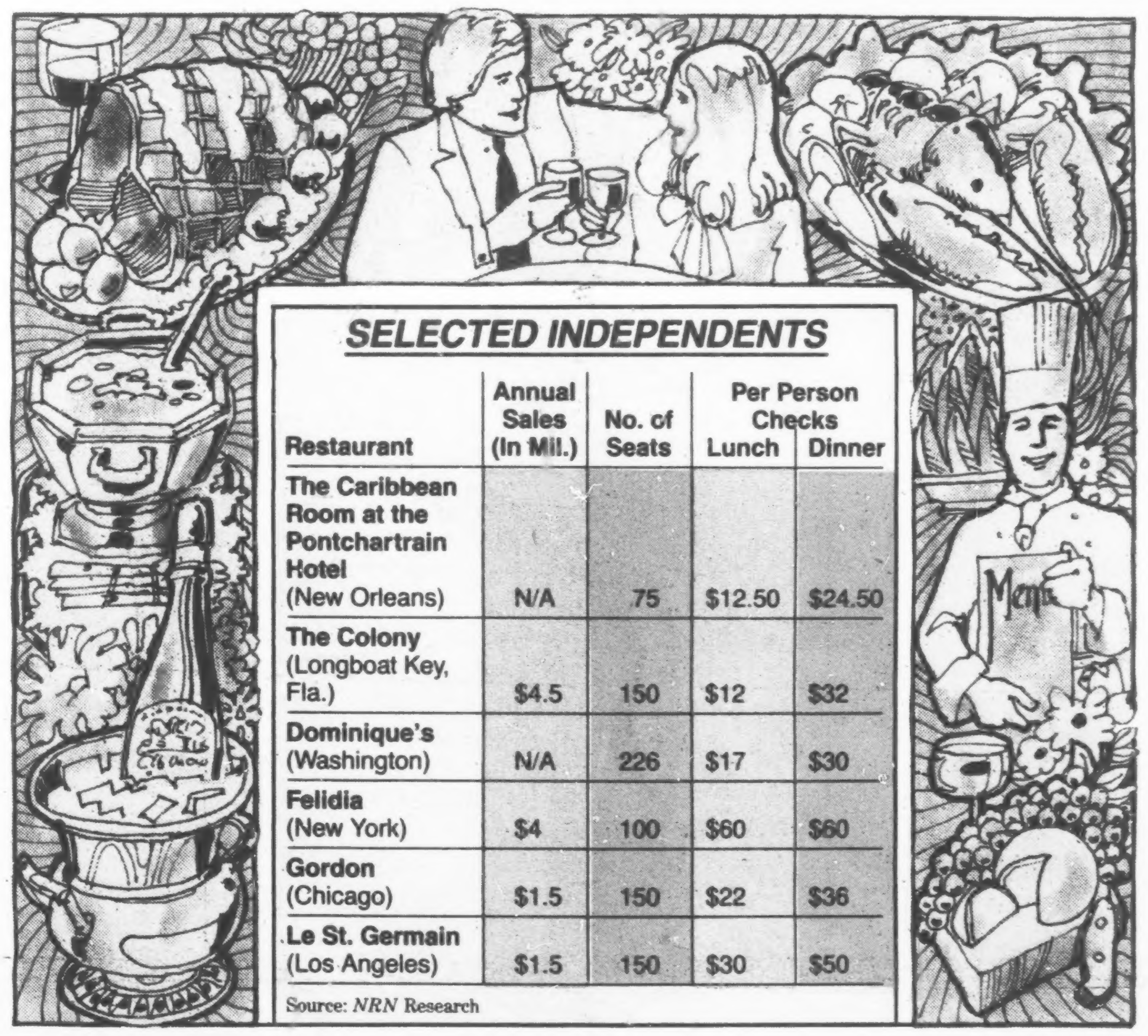
Swiftly growing independent restaurant groups are attracting industry attention by merchandising to a broad spectrum of tastes with a number of highly individualized concepts.

And rather than attempting to build sprawling mass-market chains that stretch from coast to coast, those groups have staked out various segments in the regions they know best.

Groups such as Shooting Starts in Philadelphia, Ark Management in New York, Big Four Restaurants in Phoenix and Restaurants Unlimited in Seattle are *not* seeking to be all things to all people.

"There's no mass market anymore," said Ray Lindstrom, president of the

*(See **HYBRID**, page 22)*



SELECTED INDEPENDENTS

Restaurant	Annual Sales (In Mil.)	No. of Seats	Per Person Checks Lunch	Per Person Checks Dinner
The Caribbean Room at the Pontchartrain Hotel (New Orleans)	N/A	75	$12.50	$24.50
The Colony (Longboat Key, Fla.)	$4.5	150	$12	$32
Dominique's (Washington)	N/A	226	$17	$30
Felidia (New York)	$4	100	$60	$60
Gordon (Chicago)	$1.5	150	$22	$36
Le St. Germain (Los Angeles)	$1.5	150	$30	$50

Source: *NRN* Research

Casual trend gains ground

New ideas challenge many independents

By David Zuckerman

With the emergence of American-trained chefs and a new and highly sophisticated customer base, the once-solid underpinnings that have characterized the fine-dining scene in the United States for decades are beginning to wear thin.

A host of innovative concepts, featuring multiethnic cuisines, unstructured menus and fresh regional ingredients, are combining to put the squeeze on traditional, European-dominated establishments.

Among the latest victims in that changing environment is Narsai's in Berkeley, Calif., where owner Narsai David has for 13 years maintained a rigid adherence to classical French cui-

*(See **TRENDS**, page 231)*

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HELP US FIND OUR RESTAURANT
IT'S WORTH THE SEARCH ONCE YOU FIND IT!

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NEWSPAPER

Horn & Hardart, Diversifoods begin preliminary merger talks

By Don Jeffrey

NEW YORK — Horn & Hardart is holding preliminary discussions with Diversifoods about a possible merger of the two publicly owned food-service companies.

The disclosure, contained in a recent amended Securities and Exchange Commission filing, puts a new slant on speculation that a partnership formed by Horn & Hardart's chairman Barry Florescue was planning to take over financially troubled Diversifoods.

Horn & Hardart president John Gerlach said the recent discussions "take a step in a different direction." He said he could not comment on any speculations.

Industry analysts have said Horn & Hardart, a 12-unit Burger King franchisee, seeks to take control of Diversifoods' most profitable properties: its 377 franchised and subfranchised Burger Kings and its 56 Chart House dinnerhouses.

One analyst added that

*(See **MERGER**, page 17)*

DIVERSIFOODS
Itasca, Ill.
Total revenue: $554.4 million (year ended 12/31/84)
Total operating profit: $49.4 million
Net profit: $18.2 million
Restaurants (12/31/84):
  Burger King: 378 (274 operated, 104 subfranchised)
  Godfather's: 895 (237 company owned)
  Luther's: 68 (34 company owned)
  Chart House: 55
  Moxie's: 9
Chairman: William Trotter II
President: John M. Creed

HORN & HARDART
New York, N.Y.
Food-service revenue: $135.9 million (year ended 12/29/84)
Total revenue: $363.8 million
Food-service operating profit: $14.2 million
Total operating profit: $17.9 million
Net profit: $9.5 million
Restaurants (12/29/84):
  Bojangles': 328 (143 company owned)
  Burger King: 12 (franchised)
  Arby's: 23 (franchised)
  Other: 12
Chairman, ceo: Barry Florescue
President: John T. Gerlach

ARA net slipping as expected; reflects interest on LBO debt

By Charles Bernstein

PHILADELPHIA — ARA Services' pretax operating profits for its first quarter through March 31 as a private company rose slightly from $39.7 million in the same period last year, *Nation's Restaurant News* has learned.

At the same time, a company financial source disclosed, net aftertax profits dropped considerably to "a small profit," compared with the $16.2 million of last year's similar quarter.

That drop and a continued anticipated dip in comparative net aftertax profits this year reflect the heavy interest that ARA is paying on its debt incurred in an $850 million leveraged buyout that took it private last Dec. 19—a deal negotiated mainly through Chemical Bank and Morgan Guaranty Trust Company in the amazingly short space of 99 days from the time it was initiated.

As the principal is reduced over the 10-year period of the LBO loans, the interest payments will also steadily decline, leading ARA officials to expect a resumption of profit growth by 1986 or 1987.

In just a few months, ARA reduced its total debt by $41 million from just over $1 billion (including some $150 million in loans before the LBO).

Meanwhile, revenues for the quarter ended March 31 jumped 10% to about $950 million, compared with those for last year's same quarter. Prospects are that ARA will achieve $3.7 billion in revenues this year, compared with last year's $3.4 billion, and raise its capital spending to $170 million annually over the next five years.

"Those who questioned our ability to sustain the LBO with a strong performance can now see that ARA is healthier than ever, in new business, capital expansion and growth," asserted ceo Joseph Neubauer. "We're not divesting ourselves of anything because of the LBO, and we're growing faster than ever."

Meanwhile, the financial source conceded that ARA "in the long run" would like to "further improve" on its 1.3% net aftertax profit to a revenues margin of 1984, but he noted that "obviously it will be another year or two before we can move toward our goals of 1.5% and 2%."

The LBO deal was "an absolute necessity" to protect ARA from the takeover efforts of various potential bidders, the source said. (The only known specific bid, rejected by the board and then withdrawn, was a $720 million one by former ARA Food Service president William Siegel.)

ARA's strength now is its stable top management team of Neubauer, 43, chairman

*(See **ARA**, page 231)*

McLamore named MUFSO Pioneer

James W. McLamore

MIAMI — James W. McLamore, who cofounded Burger King 31 years ago and launched the Whopper as its signature item a few years later, has been named Pioneer of the Year by *Nation's Restaurant News*.

He will receive his award at *NRN*'s annual Multi-Unit Food-Service Operators (MUFSO) conference in the Hyatt Grand Cypress Hotel, Lake Buena Vista, Fla., Tuesday evening, Oct. 15.

The presentation will be one of the highlights of *NRN*'s 26th annual MUFSO conference from Sunday evening, Oct. 13, to Oct. 16. Among the major speakers will be Collins Foods chairman Jim Collins, General Mills restaurant group president Joe Lee, Burger King chairman Jeff Campbell and McLamore.

For further MUFSO conference details and registration information, please contact Barbara Burnside, special events director, at 212-371-9400.

McLamore, now 59, was the NRA's 1975-76 president and in the fall of 1975 was voted MUFSO Operator of the Year by the readers of

*(See **McLAMORE**, page 231)*

Carl's Jr. slashes prices, launches 49¢, 2-oz. burger

"I've just reduced the price on every one of my hamburgers."

—Carl N. Karcher

ANAHEIM, Calif. — With a Lee Iacocca-esque flourish, the founder and chairman of Carl Karcher Enterprises (CKE) has launched a series of personal pitches from full-page newspaper ads, drive-thru menu boards, television and other media, aimed at reclaiming a disaffected customer base for his troubled Carl's Jr. fast-food chain.

CKE, after abandoning its ill-fated search for a more upscale market niche between Denny's and McDonald's has cut burger prices across the board and rolled a new 49¢, 2-oz. burger into its 420-unit, four-state restaurant system.

The chain reported that restaurant sales volume has risen slightly, while customer traffic and transactions have soared more than 10%, during three months of testing of the new prices in Phoenix; Fresno, Calif., and San Antonio.

Prices have been lowered from 10¢ to 30¢ on the five basic Carl's Jr. burgers, which now range from 49¢ to $2.19. The 2-oz. low-ticket burger is a smaller version of the former 79¢, $2^{2}/_{3}$-oz. Happy Star burger. One-third-lb. burger varieties are now an added 35¢ option on three, 3 $^{2}/_{3}$-oz. sandwiches—instead of being separately featured items.

Karcher's multimedia campaign, begun May 9, is expected to consume a large chunk of the company's $12 million ad budget for the year. An apparent target of the ads, which feature the company founder as a spokesman, are former customers who were confused by the defunct, $4-range dinner platters and other recent upscalings.

"Lately it seemed to me, that all over the country—and [at] Carl's Jr., too—prices started to get a little out of hand," Karcher said in the ads, adding that he "thought it was time to take a stand, to show our customers that Carl's Jr. intends to take the lead and do something about it."

In addition to the 10% burger price reductions, CKE officials said they would also cut the number of new restaurants planned for 1985 from 60 to 45, a move that would save nearly $10 million.

Despite a 35% earnings dip in the fourth quarter, CKE squeezed out a slim year-to-year net profit gain of $150,000, to $11.6 million, for the fiscal year ended Jan. 25.

COMMODITIES

Seafood prices see high volatility in spring months

***NRN* Special Report**

There is a great deal of volatility in seafood prices now, as there often is during the spring months. This is the time when the winter weather breaks for North Atlantic fishermen and preliminary forecasts of catches may be projected.

Scallops look to be in good position. Stocks are up by 8%-10% over last year at this time, and importers say supplies from foreign sources are good and may get better. Prices for Canadian frozen scallop meat is down by about $1 a pound from last month—$1.10 less than last year—at $5.90-$6 a pound for 30/40 count, bringing about $1.50 a pound more than Icelandic (up about $0.50 from last year) for the same size. The drop will put pressure on the price for domestic product, which had been running $0.20-$0.30 above the Canadian.

There are slightly larger stocks of king crab this year than last, but that's mostly the effect of continued high prices, not better catches. The season through April 1 saw the landings in Alaska down 64% from 1983 and down 46% from 1984. Some marine biologists think the crustacean is so badly fished out that—even with conservation methods now in use—it will be five to eight years before catches increase significantly. They believe we may never have a repeat of the huge catches of the 1960's-1970's. Stocks, however, are now up 5% over last year, and reduced demand has resulted in prices about $0.50-$0.75 lower than last year at this time.

There's a mixed picture presented by imported blocks and slabs (from which fish portions are made) and the prices of portions. Canadian cod blocks and slabs have been running about $1.02-$1.06 for several months—before, during and since the Newfoundland trawlermen's strike that cut off most of the supply from that country. The same thing has been true of ocean perch, pollock and haddock. On the other hand, late last month the prices of breaded fish portions dropped, ranging—depending upon the species—in reductions of from $0.01 to $0.10 per pound. Although supplies of cod are building, at the end of March it was still down by about 45% from last year and ocean perch is also down by about that much.

By this time, domestic Gulf shrimp fishing should have started, with most of the early catch destined for canners. Last season's pack was down, but fisheries hope good weather will result in a better harvest this year.

Although green coffee prices paid by roasters have been holding at about 6% less than a year ago for nearly two months now, most of the decrease has been due to a lack of demand. But now, with new information about coffee stocks available, expect rises up to and exceeding last year's prices.

Around the end of February every year, roaster demand falls off, because fall and winter are the traditional coffee drinking times. With the coming of spring, roasters have already passed their peak demand and have enough inventory for several months. As demand drops, usually the price does also. (Such temporary drops in price—and the temporary rises in the fall—are seldom seen by operators, since they tend to even out over the year, and most roasters do not pass them on.)

This year may be different, however. It is now becoming clear that there isn't all the good grade coffees (arabica) around that had been reported by the producing countries. Brazil, the largest producer, had weather damage to the crop last season and appears to have on hand a limited amount of the first quality beans demanded.

PRICE MOVEMENT AT A GLANCE

	May 6, 1984	April 4, 1985	May 6, 1985
Asparagus, No. 1, loose Jumbo, Calif. (33# carton)	$18-$20	$22-$24	$18-$20
Beef, Choice, 700-900 lb., Midwest (lb.)	$1	$0.89	$0.86
Broccoli, No. 1, Calif. (14s)	$4.50-$5	$6-$7	$3.50
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.5663	$0.4944	$0.5224
Corn, frozen cob, Grade A, N.W. (48/1s)	$8.75-$9	$9.38	$9.98
Eggs, Grade A, large white, Chicago (doz.)	$0.74	$0.62-$0.65	$0.55-$0.58
Hams, canned Polish, 11 lb. (lb.)	$1.68	$1.40-$1.44	$1.54
Lettuce, iceberg, No. 1, Calif. (24s)	$2.75-$3	$3-$3.50	$3-$4
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$0.91	$0.78	$0.80

Source: *NRN* Research

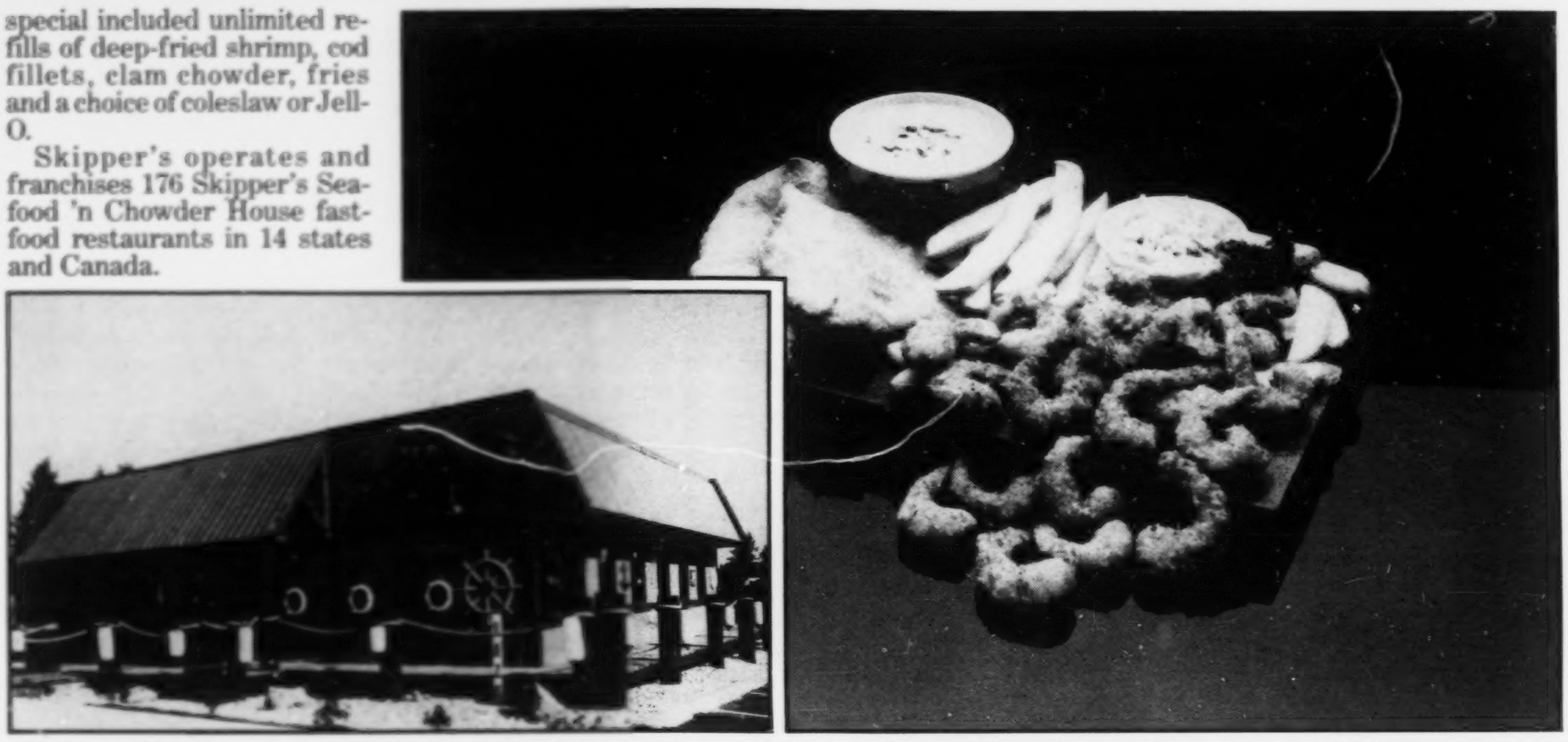
Skipper's all-you-can-eat promo fuels sales

BELLEVUE, Wash. — Real sales jumped 9% over those of the comparable year-earlier period during Skippers systemwide all-you-can-eat shrimp and fish promotion, according to Doug Bamford, marketing vice president.

The six-week $5.99 offer, introduced during Lent, was bolstered by a three-week, 30-second spot television campaign and a two-week, 60-second radio run in major company markets. Bamford said the sales increase is noteworthy because during the comparable 1984 period, the company had performed strongly over the prior year's results.

The recent promotion was a variation of Skipper's top seller—the all-you-can-eat fish special, which is available every day but does not include shrimp. The shrimp and fish special included unlimited refills of deep-fried shrimp, cod fillets, clam chowder, fries and a choice of coleslaw or Jell-O.

Skipper's operates and franchises 176 Skipper's Seafood 'n Chowder House fast-food restaurants in 14 states and Canada.



The six-week all-you-can-eat shrimp and fish promotion pushed real sales up 9% over those of the same period last year.

PROMOTIONS

Values and Life Styles give Madison Ave. new target

By D. M. Levine

Are you a survivor, a sustainer, a belonger or an achiever?

Maybe you are experiential, societally conscious or an emulator.

Whatever you think you are—one of the above, some of the above—Madison Avenue is ready to gear messages to you based on your lifestyle, rather than traditional demographic patterns in which you may fall.

It is called VALS, an acronym for Values and Life Styles, a typology of the American consumer developed seven years ago by SRI International, a Washington think tank, as a way to reach people based on their traits and characteristics.

Belongers, for example, consider themselves traditional, conventional and sentimental. They are family-oriented, careful with money and patriotic. When they eat out, chances are that you will find them at all-you-can-eat buffets.

In contrast, achievers are prosperous, status-conscious, self-assured, competitive, materialistic and trendy. They like to go to pretheater dinners at white-tablecloth restaurants that provide a limo to the show or a special seating area for confidential chitchat.

VALS has a fan club on Madison Avenue located at Young & Rubicam, which was one of the early subscribers to the theory that in order to reach people, you have to know a lot more than a jumble of demographic statistics.

"It is particularly important that those who create advertisements be able to understand the people in the target audience as complete persons, not just sets of numbers," said Rebecca Holman, Y&R's associate research director.

That view was expressed at a recent seminar at the Culinary Institute of America in Hyde Park, N.Y., sponsored by General Foods, a Y&R client and a member in good standing of the VALS fan club.

VALS, said Donna Roberts of the General Foods publicity staff, is a concept her company's marketing people have been flirting with for some time. So, she said, the time has come to help spread the good word about VALS to clients.

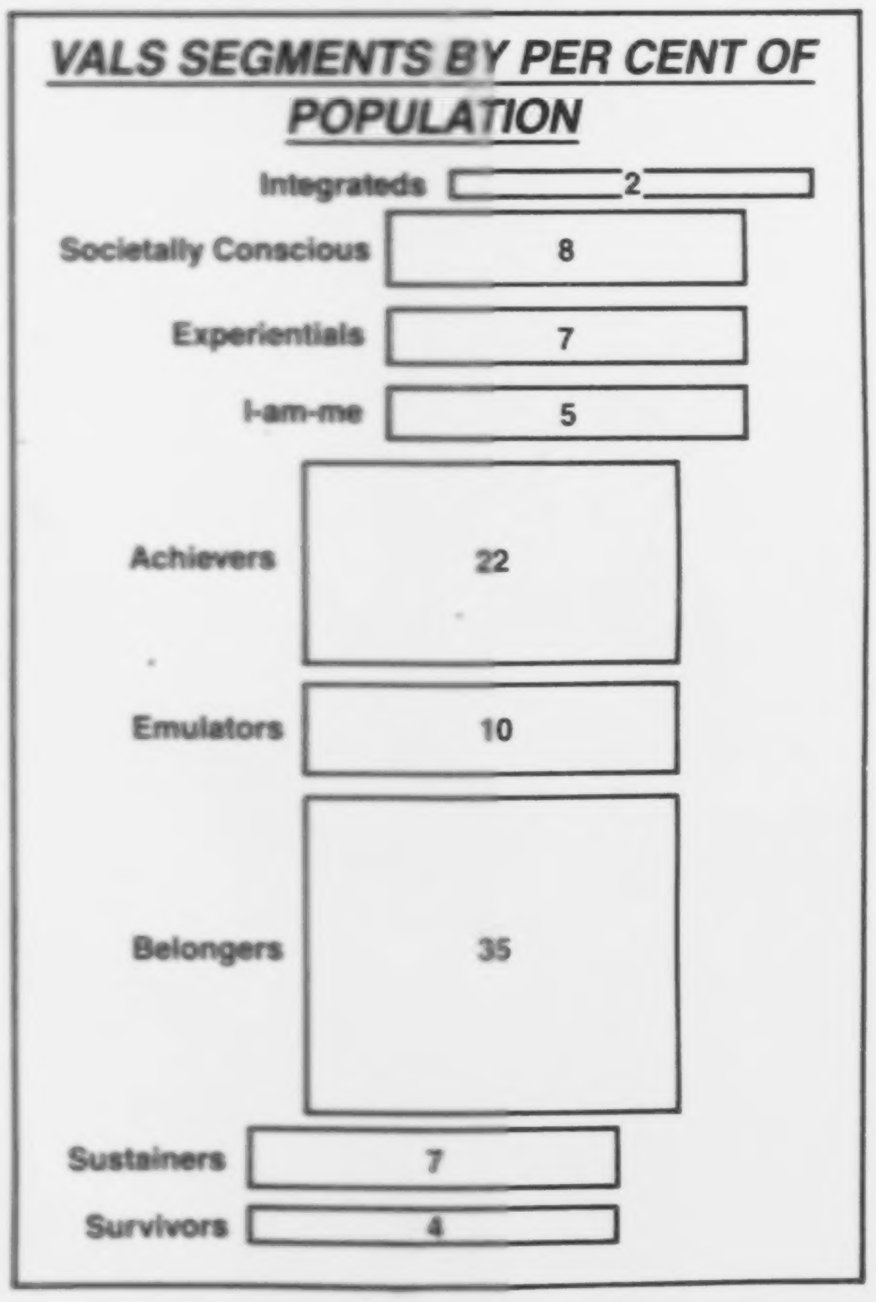
But not all are bullish on VALS. "It's definitely not for mass marketers," said Steven Rann, director of research at Burger King in Miami. "I would guess that it would be good if I were running a restaurant, but it doesn't serve a need for us."

Robert Passikoff, Y&R's vice president for research and an eloquent defender of VALS, contended that it is a valuable tool. "The company that's sensitive to the needs of the consumer will survive the shakeout," he said.

VALS traces its roots to the now-famous hierarchy of needs developed more than 30 years ago by the late Abraham H. Maslow, considered the father of humanist psychology. Simply put, Maslow's view is that as want of a lower order is being satisfied, it becomes less important, with a want of the next highest order becoming more important. In other words, as economic need is being satisfied, people reach for self-fulfillment.

Fine-tuned by Madison Avenue, VALS becomes a road map for the type of people who inhabit society:

- **Survivors:** They are poor, mostly elderly women who live alone and are unhappy. They constitute 4% of the adult population and have a median household income of $3,200.



VALS SEGMENTS BY PER CENT OF POPULATION

- **Sustainers:** They are almost like survivors, except that they believe all hope is not lost. At some point, they believe they will beat the odds and break out of poverty. They are 7% of the population and have a median age of 28. Most are married, are white and live in urban areas.
- **Belongers,** as noted above, want to fit in rather than stand out. This is the largest group in VALS, representing about a third of the population. They have median incomes of about $15,800, hold blue-collar jobs, are about 52 years old, live in rural areas and small towns and are slow to change.
- **Emulators:** They are basically unhappy, mostly because they realize that they will not be able to reach the goals they set for themselves. Most are college dropouts, have annual incomes of $17,900, have a median age of about 28, live in cities and lack self-confidence.
- **Achievers,** as noted above, are the builders of the American dream, are very happy with themselves and their achievements and often indulge themselves with luxuries. They have a median income of $32,000 and are generally well educated. Most are married and white and have a median age of 42.
- **I-Am-Me's:** They are mostly children of achievers, going through a rebellious stage in their lives. They are about 25 years old and delight in experimenting with the unconventional.
- **Experientials:** They are grown-up I-Am-Me's (median age is 28), may have obtained a college degree and moved into high-paying jobs (median income: $22,300). They characterize themselves as liberated, experimental and impulsive.
- **Societally Conscious:** Their concern is for the world at large, and they want to improve things. They have a median age of 37, make about $25,000 a year, are mostly married and have a lot of self-confidence.
- **Integrateds:** Madison Avenue cannot tell us much about this group because it does not know if it exists to any significant degree. These people, researchers say, are psychologically mature, have a large field of vision and are extremely tolerant and understanding.

* * *

VALS proponents believe the typology will take on greater significance in the years ahead, particularly as the media become segmented in their ability to reach diverse groups.

For now, companies can use the concept to determine who they are, who they want to reach and how they might reposition themselves in the ongoing battle for a share of the consumer's stomach.

The problem, supporters say, is that corporate research departments need to reorient their thinking because traditional demographics will not provide a needed glimpse into people's lifestyles. Obviously, noted Rebecca Holman of Y&R, there are differences between a $35,000-a-year postal clerk and a $35,000-a-year college professor.

Certainly costs for developing a VALS study are not cheap. For $11,000, SRI provides reports and a 30-item questionnaire companies can use to measure values and lifestyles of their customers.

Is the spending and reorientation worth it?

"Yes," said those who have used VALS.

"If we don't know who our customers are today, we won't be in business tomorrow," said John Stockton, marketing vice president at Roy Rogers.

NRN Index climbs 0.7 to 118.7; gainers top losers

By Don Jeffrey

NEW YORK — After a big 3.5-point plunge in the previous week, the *Nation's Restaurant News* Food-Service Operators Stock Index rose 0.7 points in the week ended May 10, closing at 118.7.

Advancing issues on the full, 111-stock listing, which includes lodging and diversified companies, outnumbered declining issues, 52 to 33, with 26 unchanged.

Those gains reflected positive activity in the overall stock market, as the Dow Jones Industrial Average went up 26.94 points in the week, to close at 1,274.18. Investors were said to be encouraged by the possibility of reduced Federal deficits, which would lower interest rates.

Garcia's of Scottsdale was the leading percentage price gainer in the week, up 88¢, to close at $2.88. It reported a first-quarter net profit of $409,000, compared with a $203,000 loss in the same period last year.

Sonesta International, which reported a $2.8 million net loss in the first quarter, had the biggest weekly decline in trading volume, compared with the previous 12-week average. Just 100 shares changed hands.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Cracker Barrel .... M	282.1	Sizzler Rest Intl .... M	145.7
Hambrg Hamlet .... O	240.0	Brock Hotel Cp .... N	120.0
Natl Pizza .... M	221.7	Jerrico Inc .... M	114.3
Garcias Scot .... M	185.7	Consul Restaurant .... M	69.9
Ryans Fam Steak .... M	152.4	Frisch's .... A	66.7

TOP TEN GAINERS

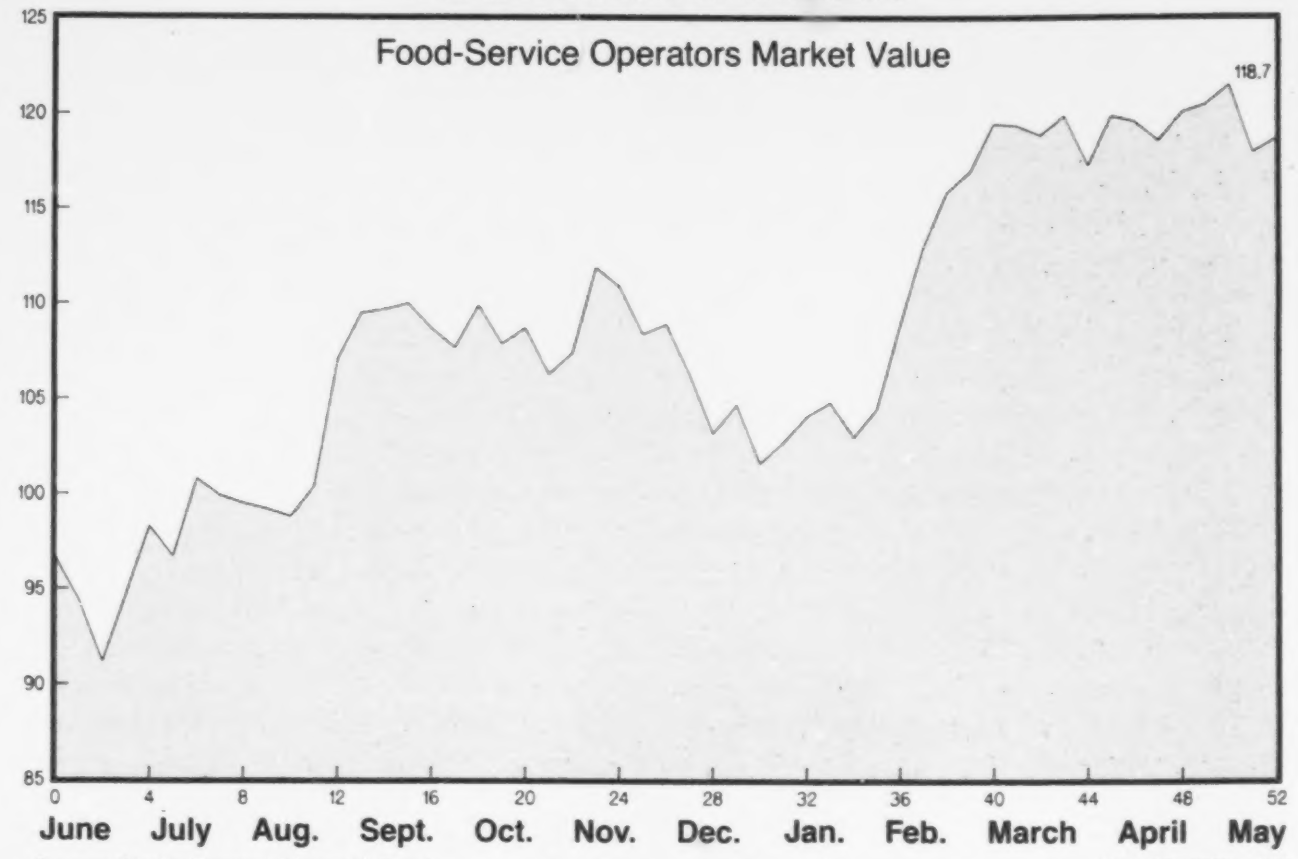
Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Garcias Scot .... M	43.8	Calibre Cp .... M	14.3
Kelly-Johnston .... M	42.9	Vicorp Restaurants .... M	11.7
Fuddruckers Inc .... M	23.2	Good Taco .... M	9.1
Naugles Inc .... M	17.9	Frisch's .... A	8.6
Sizzler Rest Intl .... M	15.9	Prime Mtr Inn .... N	8.5

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Stuff Yer Face .... O	- 31.3	Esteban Foods .... O	- 6.3
Primo Inc .... O	- 10.0	Assoc Hosts .... M	- 5.9
RAX Restaurants .... M	- 8.1	McFaddin Ventures .... O	- 5.7
Maverick Rest .... O	- 7.4	Lifestyle Rest .... A	- 5.6
Victoria Stations .... M	- 7.4	Consul Restaurant .... M	- 5.3

	Stock Market											Financial Update																		
	Price							Volume				P/E Ratio	Indicated Div. Rate		Latest Report			Latest Quarter						Year-to-Date						
	5-10-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																														
A&M Food Svcs .... M	5.75	.00	.0	5.75	5.50	7.13	3.50	75	.21	1.21	- 82.6	17.4	.00	.0		3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests .... M	4.75	.00	.0	4.75	4.63	5.38	3.50	105	.42	.86	- 51.2	16.4	.00	.0	—	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants .... O	4.25	.25	6.3	4.50	4.25	6.00	2.38	116	.50	.36	38.9	32.7	.00	.0	—	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts .... M	11.88	- .75	- 5.9	12.38	11.38	17.13	10.88	1,137	2.57	2.34	9.8	14.3	.12	1.0	—	3 mos.	12-84	22.5	- 1.3	.7	- 12.5	.16	- 11.1	22.5	- 1.3	.7	- 12.5	.16	- 11.1
Benihana Natl .... M	18.50	.25	1.4	18.63	16.00	21.75	10.25	1,696	5.83	3.61	61.5	20.1	.00	.0	—	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms .... M	21.00	.25	1.2	21.25	20.50	21.00	14.75	1,056	.65	1.07	- 39.3	19.4	.30	1.4	—	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp .... M	1.00	.13	14.3	1.25	0.88	5.25	.63	85	.28	.28	.0	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food .... M	12.75	.25	2.0	12.75	12.38	13.25	7.25	881	1.95	2.18	- 10.6	18.8	.16	1.3		fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab .... M	2.13	.00	.0	2.19	1.81	4.88	1.38	3,492	2.28	2.24	1.8	NE	.00	.0	—	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.5)	NC	(.04)	NC
Carrols Cp .... N	9.88	.25	2.6	10.00	9.38	11.50	7.88	331	.43	.61	- 29.5	13.3	.07	.7	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's .... M	10.13	.25	2.5	10.13	9.38	18.25	9.38	6,208	2.30	2.69	- 14.5	16.1	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc .... M	27.38	.50	1.9	27.38	26.50	28.88	12.75	1,419	3.05	2.75	10.9	35.6	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch .... N	18.38	1.13	6.5	18.38	16.75	19.25	11.38	4,023	1.07	1.37	- 21.9	15.8	.44	2.4	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods .... N	21.50	1.63	8.2	21.50	19.75	23.00	10.84	1,026	.78	.91	- 14.3	16.3	.16	.7	—	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev .... O	12.63	.00	.0	12.88	12.63	16.50	5.75	924	1.79	1.57	14.0	16.4	.00a	.0	—	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts .... M	4.63	- .13	- 2.6	4.75	4.63	6.13	4.63	45	.13	.28	- 53.6	13.2	.08	1.7	—	3 mos.	12-84	15.2	- 1.9	.3	- 25.0	.10	.0	15.2	- 1.9	.3	- 25.0	.10	.0
Consul Restaurant .... M	4.50	- .25	- 5.3	4.75	4.13	13.50	4.13	1,208	2.65	1.56	69.9	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel .... M	12.75	- .25	- 1.9	13.00	12.00	23.50	11.75	1,975	5.54	1.45	282.1	15.4	.14	1.1	—	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc .... O	5.00	- .25	- 4.8	5.50	4.75	5.75	2.75	41	.24	.47	- 48.9	38.5	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods .... M	10.63	.13	1.2	10.88	10.00	15.63	8.00	24,302	7.21	7.35	- 1.9	25.9	.34	3.2	—	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer .... M	12.75	- .13	- 1.0	12.75	11.63	15.50	10.88	1,988	3.94	2.87	37.3	NM	.00	.0	—	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts .... M	20.25	.75	3.8	20.25	19.38	20.38	13.00	631	.89	2.23	- 60.1	15.6	.24	1.2	—	3 mos.	01-85	140.7	589.7	2.6	13.0	.36	16.1	140.7	589.7	2.6	13.0	.36	16.1
El Chico .... M	10.13	.25	2.5	10.13	9.88	10.88	7.25	473	1.02	1.63	- 37.4	13.0	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest .... N	15.13	.63	4.3	15.38	14.38	15.38	9.63	378	.34	.57	- 40.4	14.8	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper .... O	.63	.00	.0	0.75	0.63	1.63	.63	87	.15	.47	- 68.1	20.8	.00	.0		fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes .... M	6.88	.00	.0	7.00	6.75	9.13	5.13	748	1.07	2.36	- 54.7	NE	.00	.0	—	fiscal	12-84	6.0	445.5	(.5)	NE	(.07)	NE	12.6	384.6	(1.2)	NE	(.18)	NE
Folks Rest .... O	2.50	.00	.0	3.50	2.50	7.38	2.50	22	.15	.20	- 25.0	NE	.00	.0	—	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	- 100.0
Fresher Cooker .... O	2.00	.13	6.7	2.25	1.88	6.75	1.50	30	.13	.73	- 82.2	NE	.00	.0	—	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's .... A	22.13	1.75	8.6	22.13	20.38	22.13	12.50	152	.35	.21	66.7	18.8	.22	1.0	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc .... M	8.63	1.63	23.2	8.75	7.00	15.13	6.38	4,514	6.94	4.83	43.7	NM	.00	.0	—	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot .... M	2.88	.88	43.8	2.94	1.94	6.38	1.63	2,876	4.80	1.68	185.7	NE	.00	.0	—	9 mos.	09-84	12.3	30.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco .... M	.75	.06	9.1	0.81	0.69	3.38	.25	799	2.69	2.60	3.5	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet .... O	14.50	.25	1.8	15.25	14.25	14.50	9.75	37	.51	.15	240.0	7.8	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger .... M	5.13	- .13	- 2.4	5.38	5.13	7.00	3.63	225	.78	1.98	- 60.6	27.0	.00	.0	—	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen .... O	49.50	.50	1.0	52.00	49.00	50.50	38.00	6	.03	.21	- 85.7	13.6	.00	.0	—	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab .... M	19.25	1.00	5.5	19.50	18.50	24.75	13.41	256	.90	3.65	- 75.3	14.4	.00a	.0	—	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest .... M	14.75	.25	1.7	15.00	14.25	15.50	7.34	275	.79	3.74	- 78.9	18.4	.16	1.1	—	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc .... M	20.25	1.25	6.6	20.38	18.88	20.25	13.50	13,763	8.72	4.07	114.3	14.7	.12	.6	—	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.66	15.8
Kapok Cp .... A	2.75	.00	.0	2.88	2.50	3.88	1.13	114	.51	1.02	- 50.0	4.3	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl .... M	16.63	.63	3.9	16.63	15.88	29.63	13.50	617	.87	1.59	- 45.3	10.0	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston .... M	.63	.19	42.9	0.75	0.44	5.50	.25	4,066	4.77	3.15	51.4	NE	.00	.0		6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest .... A	2.13	- .13	- 5.6	2.25	2.13	3.75	1.75	407	.72	.59	22.0	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe .... N	28.00	.13	.4	28.00	27.25	32.00	23.63	521	.43	.49	- 12.2	18.4	.54	1.9	—	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp .... M	16.25	.00	.0	16.50	16.13	17.13	11.88	43	.08	.31	- 74.2	10.6	.28	1.7	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp .... N	84.88	2.38	2.9	85.50	82.50	87.75	60.00	1,311	.51	.61	- 16.4	16.4	.54	.6	—	fiscal	12-84	1122.2	18.3	43.8	41.3	1.64	47.7	3524.9	16.1	139.8	21.4	5.18	24.8
Maverick Rest .... O	3.13	- .25	- 7.4	3.38	3.00	6.25	2.25	237	.48	.36	33.3	39.1	.00	.0	—	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's .... O	3.25	.00	.0	3.63	3.25	5.50	2.50	95	.53	.53	.0	NE	.00	.0	—	fiscal	10-84	4.4	4.8	(.2)	NE	(.21)	NE	17.6	10.7	(.8)	NE	(.42)	NE
McDonald's Cp .... N	62.63	2.50	4.2	63.00	59.88	63.38	40.84	10,141	1.18	.98	20.4	14.3	.82	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures .... O	10.38	- .63	- 5.7	10.75	10.38	12.25	9.63	36	.07	.45	- 84.4	15.3	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc .... M	20.00	.50	2.6	20.13	19.38	20.00	13.25	1,403	1.06	1.57	- 32.5	13.3	.48	2.4	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak .... O	2.50	- .13	- 4.8	2.63	2.50	3.13	1.13	559	1.17	1.07	9.3	NE	.00	.0	—	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express .... O	1.00	.00	.0	1.13	0.88	2.50	.88	198	.88	.84	4.8	NE	.00	.0	—	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans .... O	3.75	- .13	- 3.2	3.88	3.75	4.50	1.78	88	.39	.96	- 59.4	15.0	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza .... M	8.75	- .25	- 2.8	8.75	8.38	9.75	7.50	412	.74	.23	221.7	9.7	.00	.0	—	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc .... M	5.75	.88	17.9	5.75	4.88	10.13	4.63	2,199	4.93	4.96	- .6	NE	.00	.0	—	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
Noble Roman .... O	16.75	.00	.0	17.25	16.75	17.00	11.75	51	.84	.79	6.3	27.0	.00	.0	—	fiscal	12-84	4.4	51.7	.0	- 100.0	.06	- 80.0	17.8	53.4	.1	- 66.7	.24	- 61.3
1 Potato 2 .... O	1.88	.13	7.1	2.25	1.75	12.25	1.25	82	.37	.81	- 54.3	37.5	.00	.0	—	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.09)	NC
Old Fashion Fd .... M	5.00	.00	.0	5.00	4.50	6.25	4.00	15	.11	.35	- 68.6	10.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Max Buffet .... M	7.25	- .13	- 1.7	7.50	7.13	8.25	6.00	893	2.40	6.88	- 65.1	13.2	.13	1.8		6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Peoples Rest .... M	.31	.00	.0	0.31	0.25	2.88	.25	964	1.12	2.36	- 52.5	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf .... M	22.25	1.50	7.2	22.25	20.88	24.25	16.50	309	.51	1.54	- 66.9	14.1	.60	2.7	—	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4

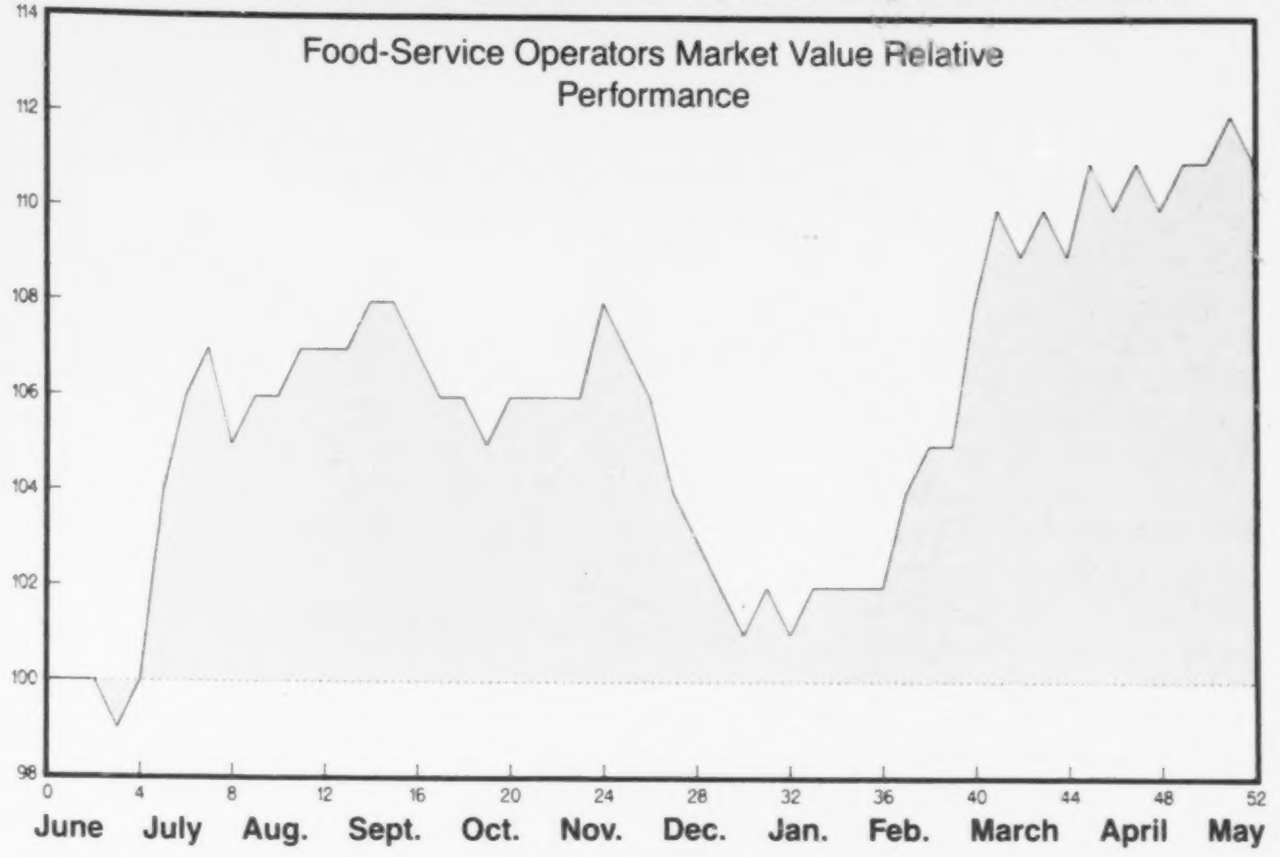
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



	Stock Market											Financial Update																	
	Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
	5-10-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn .... A	8.50	.13	1.5	8.50	8.13	12.75	6.88	158	.52	.88	- 40.9	16.3	.08	.9		fiscal	12-84	46.3	23.5	(.9)	- 100.0	(.29)	- 100.0	181.9	22.2	1.6	- 55.6	.52	- 54.8
Po-Folks .... M	10.50	.00	.0	10.75	10.38	16.63	8.75	312	.71	.71	.0	15.0	.00	.0	.....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys .... N	11.50	- .38	- 3.2	11.88	11.25	21.63	11.25	511	.53	2.18	- 75.7	6.7	.40	3.5	.....	9 mos.	11-84	122.8	33.8	2.3	109.1	.22	69.2	366.8	32.0	11.5	32.2	1.28	18.5
Primo Inc .... O	2.25	- .25	- 10.0	2.50	2.25	4.63	2.25	262	.78	.65	20.0	NE	.00	.0	.....	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
RAX Restaurants .... M	8.50	- .75	- 8.1	9.00	8.50	16.38	8.00	345	.51	.70	- 27.1	20.7	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc .... A	7.75	.00	.0	8.00	7.50	8.88	5.38	84	.30	.62	- 51.6	14.1	.00	.0	.....	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Restaurant Sys .... M	14.00	.13	.9	14.00	13.50	16.50	9.00	176	.76	1.19	- 36.1	15.7	.00	.0	.....	fiscal	12-84	8.0	6.7	.5	25.0	.21	23.5	34.7	17.2	2.1	50.0	.89	23.6
Ritzys G D .... M	2.75	- .13	- 4.3	2.88	2.75	7.25	1.75	286	.55	.81	- 32.1	NE	.00	.0	.....	fiscal	12-84	3.3	37.5	(2.7)	NC	(.52)	- 100.0	13.9	63.5	(4.3)	NE	(.83)	NE
Rusty Pelican .... M	16.13	- .13	- .8	16.25	16.00	18.25	11.00	154	.55	.86	- 36.0	21.8	.00	.0		9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryans Fam Steak .... M	18.00	1.00	5.9	18.00	16.63	18.00	11.25	2,570	3.71	1.47	152.4	32.7	.00	.0	.....	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp .... N	26.50	- .50	- 1.9	27.00	24.50	35.50	24.50	1,603	1.22	1.17	4.3	10.6	.52	2.0	.....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef .... M	7.00	.00	.0	7.00	7.00	9.00	6.75	20	.16	.69	- 76.8	12.3	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley .... M	9.00	.00	.0	9.25	8.88	11.00	6.50	1,037	2.84	5.32	- 46.6	4.2	.00	.0		3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc .... M	30.25	.38	1.3	30.25	28.25	30.75	16.22	2,123	.75	1.21	- 38.0	26.5	.15	.5	.....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South .... M	13.88	- .13	- .9	14.13	13.88	16.59	11.41	141	.25	1.01	- 75.2	11.1	.00	.0		fiscal	12-84	40.9	23.9	1.5	50.0	.25	38.9	167.1	18.0	7.3	49.0	1.25	22.5
SIS Cp .... M	4.50	- .13	- 2.7	4.50	4.00	7.25	3.25	19	.12	.43	- 72.1	NE	.00	.0	.....	fiscal	12-84	2.3	53.3	(.1)	NC	(.10)	- 100.0	7.9	75.6	(.2)	- 100.0	(.15)	- 100.0
Sizzler Rest Intl .... M	23.75	3.25	15.9	24.00	20.25	23.75	11.50	1,595	2.31	.94	145.7	17.1	.00	.0	.....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers .... M	10.00	- .13	- 1.2	10.38	10.00	12.50	8.00	452	1.66	1.80	- 7.8	11.1	.06	.6		3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality .... M	5.25	.00	.0	5.50	5.00	5.88	3.75	500	1.00	2.43	- 58.8	15.0	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face .... O	.69	- .31	- 31.3	1.00	0.59	1.44	.59	1,908	1.26	.84	50.0	68.8	.00	.0	.....	fiscal	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc .... O	2.13	.00	.0	2.38	2.13	3.63	1.88	24	.07	.63	- 88.9	NE	.00	.0	.....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa .... O	6.25	.00	.0	6.75	6.25	7.75	4.75	51	.13	.31	- 58.1	20.8	.00	.0	.....	fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva .... M	6.38	- .13	- 1.9	6.63	6.25	7.50	4.66	566	1.65	1.08	52.8	18.8	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's .... N	11.00	.00	.0	11.25	10.88	13.13	7.88	174	.15	.54	- 72.2	16.4	.00	.0	.....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas .... O	2.25	.00	.0	2.75	2.25	3.75	2.25	9	.06	.11	- 45.5	NE	.00	.0	.....	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
Transworld .... N	34.75	2.13	6.5	34.75	32.38	37.63	24.50	6,597	2.02	2.04	- 1.0	11.1	.48	1.4	.....	fiscal	12-84	522.9	3.0	29.5	NE	.75	- 62.1	2002.0	6.0	115.0	NE	3.14	NE
USACafes .... M	4.88	.00	.0	4.88	4.63	5.75	2.75	1,021	1.62	3.37	- 51.9	12.2	.28	5.7	.....	3 mos.	12-84	4.6	43.8	.4	33.3	.07	40.0	4.6	43.8	.4	33.3	.07	40.0
Vicorp Restaurants .... M	27.38	2.88	11.7	27.63	24.50	27.38	13.25	1,926	2.89	4.12	- 29.9	20.6	.12	.4	.....	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations .... M	3.13	- .25	- 7.4	3.38	3.13	7.38	2.13	641	1.81	2.57	- 29.6	NE	.00	.0	.....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl .... N	16.50	.38	2.3	16.50	15.63	17.75	10.78	12,915	1.76	1.66	6.0	17.2	.21	1.3	.....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer .... M	9.00	.00	.0	10.25	9.00	12.00	9.00	64	.53	.41	29.3	15.8	.20	2.2	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp .... N	7.25	- .13	- 1.7	7.38	7.00	13.38	5.13	261	.58	1.74	- 66.7	51.8	.00	.0		3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	2.25	- .13	- 5.3	2.50	1.88	5.63	1.88	2,323	1.76	.80	120.0	NE	.10	4.4	.....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels .... N	64.50	- .63	- 1.0	65.50	62.50	73.50	45.50	6,169	2.49	2.67	- 6.7	14.1	1.80	2.8	.....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns .... N	53.00	.00	.0	53.88	52.75	54.88	35.25	4,920	1.72	2.32	- 25.9	13.3	1.00	1.9		3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn .... N	28.63	2.25	8.5	28.88	25.75	28.88	13.50	2,303	1.19	.93	28.0	25.3	.09	.3		9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns .... N	7.25	- .13	- 1.7	7.63	7.13	8.25	5.13	3,900	1.05	1.89	- 44.4	55.8	.00	.0	.....	fiscal	12-84	151.7	13.0	(2.1)	- 100.0	(.05)	- 100.0	598.1	4.6	4.7	11.9	.13	.0
Servico Inc .... M	20.00	.13	.6	20.75	19.75	22.28	13.63	110	.32	.37	- 13.5	11.1	.00a	.0	.....	fiscal	12-84	42.8	8.4	.1	- 90.9	.00	- 100.0	181.9	20.5	6.3	70.3	1.80	66.7
Sonesta Intl .... M	24.50	- .13	- .5	24.50	24.00	27.00	18.00	1	.01	.10	- 90.0	7.2	.40	1.6	.....	fiscal	12-84	17.7	- 1.1	5.9	NE	3.83	NE	74.9	2.0	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	19.13	.75	4.1	19.88	18.25	22.63	13.50	2,123	3.54	2.72	30.1	11.5	.40	2.1	.....	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut .... N	8.50	.38	4.6	8.88	8.13	12.63	7.25	375	.79	1.34	- 41.0	NM	.48	5.6	.....	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt .... N	80.63	3.63	4.7	80.75	76.00	81.13	45.25	5,279	1.60	1.36	17.6	56.0	1.20	1.5	.....	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods .... O	1.88	- .13	- 6.3	2.13	1.88	3.00	1.13	107	.46	.83	- 44.6	20.8	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills .... N	55.00	2.13	4.0	55.63	52.88	60.63	47.75	8,214	1.85	1.58	17.1	32.5	2.24	4.1	.....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R .... N	41.00	2.00	5.1	41.25	38.75	44.50	36.50	3,892	.80	.96	- 16.7	10.8	2.80	6.8	.....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart .... A	11.38	.13	1.1	11.75	11.00	16.44	8.63	1,997	1.61	1.38	16.7	16.0	.00a	.0	.....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp .... N	31.00	1.38	4.6	31.75	29.50	31.88	24.13	970	.51	.76	- 32.9	15.1	1.80	5.8	.....	fiscal	12-84	524.3	10.8	8.1	- 30.8	.42	- 31.1	2136.7	23.7	39.5	- 24.8	2.05	- 25.2
PepsiCo Inc .... N	54.25	1.00	1.9	54.50	52.63	55.25	39.63	18,034	1.88	1.89	- .5	14.2	1.78	3.3		3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co .... N	46.88	.38	.8	47.63	46.00	49.50	34.50	1,860	.43	.83	- 48.2	10.6	1.56	3.3	.....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France .... M	11.63	- .13	- 1.1	11.75	11.50	15.25	10.50	1,027	.95	1.03	- 7.8	19.1	.23	2.0	.....	6 mos.	12-84	15.5	26.0	1.6	- 33.3	.14	- 41.7	29.7	22.7	3.0	25.0	.27	12.5

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Two operators use old contacts for new ventures

By Rick Telberg

Meet Dick Seal and Bob Freeman.

They do not know each other, working thousands of miles apart in different ends of the restaurant business. But they have something in common. Both have used their backgrounds in corporate management to tap financial sources and tactics overlooked by most restaurateurs.

Seal, 48, as president of Servlite Inc. in Madison, Wis., has tapped venture capital funds to launch his fledgling D'Lites of America hamburger franchise.

Freeman, 44, as president of Road House Restaurants Inc. in Mill Valley, Calif., is financing the growth of a chain of full-service California Café restaurants through private placements to a small group of investors.

Both money-raising maneuvers are relatively rare for the restaurant industry.

Venture Economics Inc. of Wellesley, Mass., has estimated that of the 1,285 concerns receiving seed money from registered venture capital funds last year, only six were restaurant operators. Private placements are more common but harder to track, according to Howard & Co. of Philadelphia.

Why did those two businessmen choose the routes they did? And how did they do it?

Seal was an executive at Henrici's, a venerable and far-flung food-service organization with roots going back to 19th-century Chicago, when Pillsbury Co., which picked up the division in a merger with Green Giant, was seeking to jettison it in the late 1970's.

Pillsbury set up contacts with money-men to aide Seal in a management buyout of the entire division. But when interest rates shot up in late 1979, the deal fell through and Seal was able to get only six restaurants—"on a highly leveraged shoestring," at that.

But the contacts Seal had made more than six years before came in handy when he needed $2.5 million to capitalize his D'Lites venture.

"The banks would have wanted us to bet the ranch," Seal said, thus narrowing his options to either individual investors or institutional investors.

"Individual investors can make uncomfortable partners," he said. "They have a propensity to tell you how to run your business.

"But venture capital investors," he continued, "don't have the time to get in the way. And they don't panic as fast as individuals do."

Venture capital, however, "ain't cheap." Seal gave up 70% of the company to win outside investment. His backers are expecting a 60% to 70% return when Servlite goes public or is sold to another concern.

But how patient will the investors prove to be? "I don't know," Seal said, chuckling. "I may find out.

"One thing about venture capitalists," he counseled, "as soon as they come in the front door, they start looking for the back door just in case they have to bail out."

Freeman was a co-founder of Victoria Station Inc., a chain of prime-rib-in-a-railcar restaurants that had seen its heyday by the time he left in 1978.

But the experience gave him the contacts he needed to bankroll Road House Restaurants. Five years and three rounds of financing later, 41 shareholders have purchased less than 50% of the company for $1.5 million. Shares that went to early investors at $1 each are now being used to buy real estate at $5 each.

The tactic is more common than is usually thought, "But so many people are doing partnerships, you don't see very many private placements," Freeman said.

Valuing shares, however, is tricky business. Freeman said he goes "by gut feel." But his backers do not seem to be complaining. Today each of the 2.4 million shares outstanding is supported by earnings of 12¢ each.

* * *

STOCK-PICKERS' PICKS: Wall Street investors may like McDonald's (recent price: $60), but Main Street investors prefer Wendy's ($16). The National Association of Investors Corp. in Royal Oak, Mich., a nonprofit organization of investment clubs, said Wendy's out-polls McDonald's in the portfolios of its members. But the big financial institutions own 61% of McDonald's and only 30% of Wendy's.

* * *

CORRECTION: Because of an editing error, a quotation in a previous column on Federal tax credits was incompletely rendered. The passage should have read:

Richard Pyle, an analyst at Piper, Jaffray & Hopwood brokerage in Minneapolis, sees irony in the credits. The jobs credit, Pyle said, "is a way for the Government to reduce employers' wage expense without reducing the minimum wage." And the investment credit, he noted, "subsidizes growth by offsetting the high interest rates caused by the Government's own deficits."

Profits down at Sandwich Chef

BIRMINGHAM, Ala. — Sandwich Chef blamed bad weather, bad locations and increased competition for reduced profitability in the third quarter ended March 30.

The company posted net income of $172,981, down 20% from the results for the prior year's quarter. Revenue rose 10%, to $7.3 million. The company operates a chain of 207 delicatessen-style sandwich shops in office buildings in eight cities.

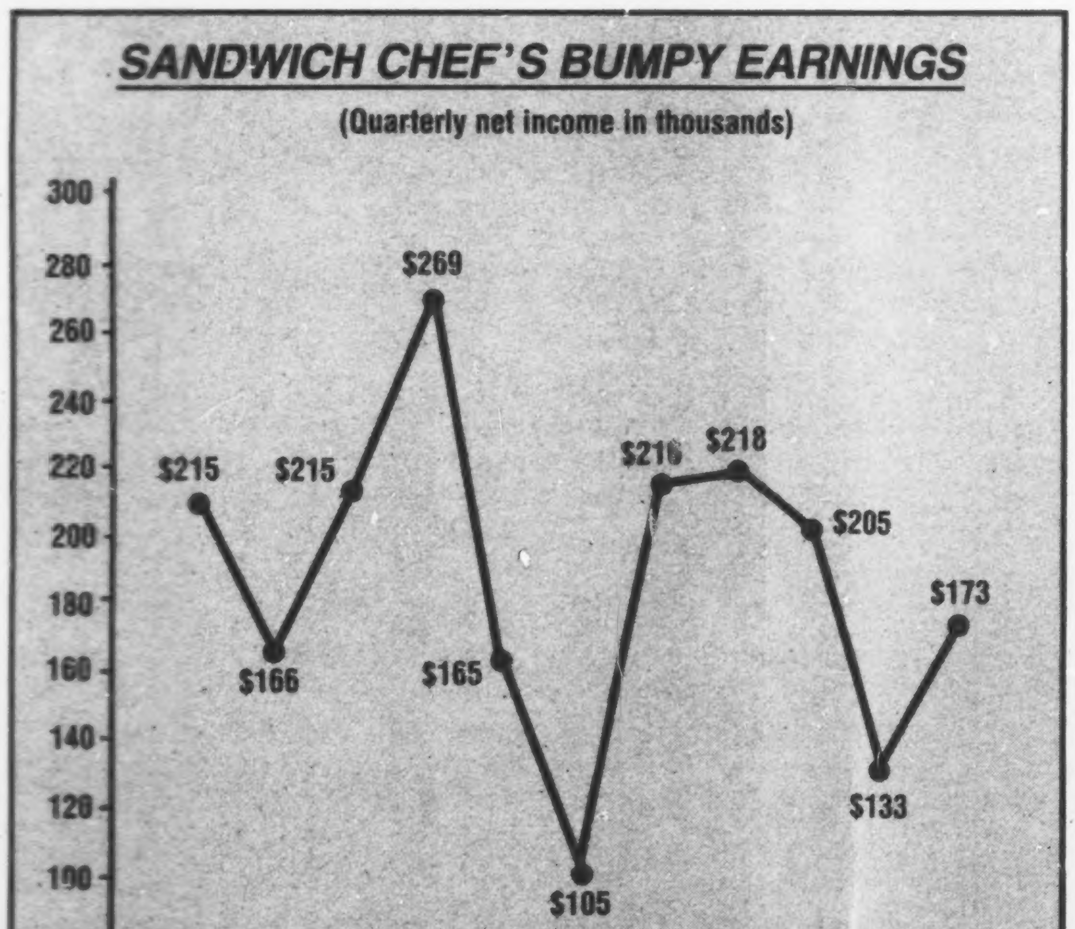
President Alan V. Kaufman attributed the profit decline to several factors.

Bad weather cut year-to-year traffic counts by 8%, resulting in a 4% decline for the quarter, he said.

Problems continued in underoccupied office buildings in Houston and Denver. The glut of office space in Houston and Denver has slowed planned divestitures of ailing units.

SANDWICH CHEF'S BUMPY EARNINGS

(Quarterly net income in thousands)



Source: Company reports

Godfather's licensee taken over

HOLLYWOOD, Fla. — Top executives of Pizza Ventures, formerly the largest and one of the most successful Godfather's Pizza franchisees, have taken control of American Family Pizza, a struggling 14-unit Godfather's franchisee.

Pizza Ventures veterans Alan McDowell and Daniel Burns will assume the titles of chairman and president respectively of the publicly traded company. American Family Pizza founder Jerry Slusky relinquishes both titles but remains a director.

Under the terms of the agreement, the new management is investing $500,000 by purchasing two million shares of American Family's stock at 25¢ a share. Another $550,000 is to be invested in the form of 10% subordinated promissory notes convertible into common stock next year at 50¢ a share. The new group will own 52% of the company.

McDowell and Burns built Pizza Ventures from a small Minneapolis base in 1978 to a sprawling 120-unit system in 1983. They then sold it to the franchisor, which subsequently merged with Chart House to form Diversifoods.

American Family Pizza reported a net loss of $1,868,985 in 1984 and a net profit of $26,402 in 1983.

Burns said his first priority was "to stabilize operations in Florida and set them on the right track."

Directing Florida operations will be another Pizza Ventures veteran, Kerry Burns, who is Daniel's brother.

NRN FINANCIAL DIGEST

Taco Viva sells supply house

BOCA RATON, Fla. — Taco Viva Inc. said it signed a letter of intent to sell its Boynton Restaurant Supply Co. to an unidentified buyer for $1.25 million in cash and notes.

Garcia's bank extends credit

PHOENIX — Garcia's of Scottsdale Inc. said its lead bank lendor has waived certain technical covenant violations and has extended a $1 million working capital credit line and two other loans until 1986.

The company also posted net profit of $409,000 in the first quarter ended April 21, compared with a net loss a year ago of $203,000. Revenue shrank 6%, to $16.3 million.

Garcia's attributed the profit turnaround to a recovery in its restaurants and reduced costs.

Peoples in rights offering

DALLAS — Peoples Restaurants is offering 2.29 new shares for every one of its 8.7 million shares outstanding at a price of 25¢ each to raise up to $5 million.

Proceeds from the rights offering will be used to renovate existing Peoples restaurants and convert others to franchised Capt. Crab outlets and Studebaker's clubs, in addition to paying down debt, said chairman and chief executive Thomas Heironimus.

Yogurt chain buys offices

LITTLE ROCK, Ark. — This Can't Be Yogurt Inc., a 180-unit chain of snack stands, said it had purchased a building in Little Rock for $2.6 million as its new headquarters.

Tokyo Bowl files for Chapter 11

DENVER — Tokyo Bowl Restaurants Inc., a nine-unit chain of fast-food restaurants serving Oriental food, has filed for protection from its creditors under Chapter 11 of the Federal bankruptcy code.

The move was "precipitated by inadequate cash flow due to poor performance," the company said. Also affected are seven Colorado Junction family restaurants, which the company acquired last October.

C5150-5

Blazing trails to raise capital
—Focus/F5

Operator aims to prove hotdogs are not Edsels
—Page 35

What's hot, what's not in the world of wines
—Focus/F16

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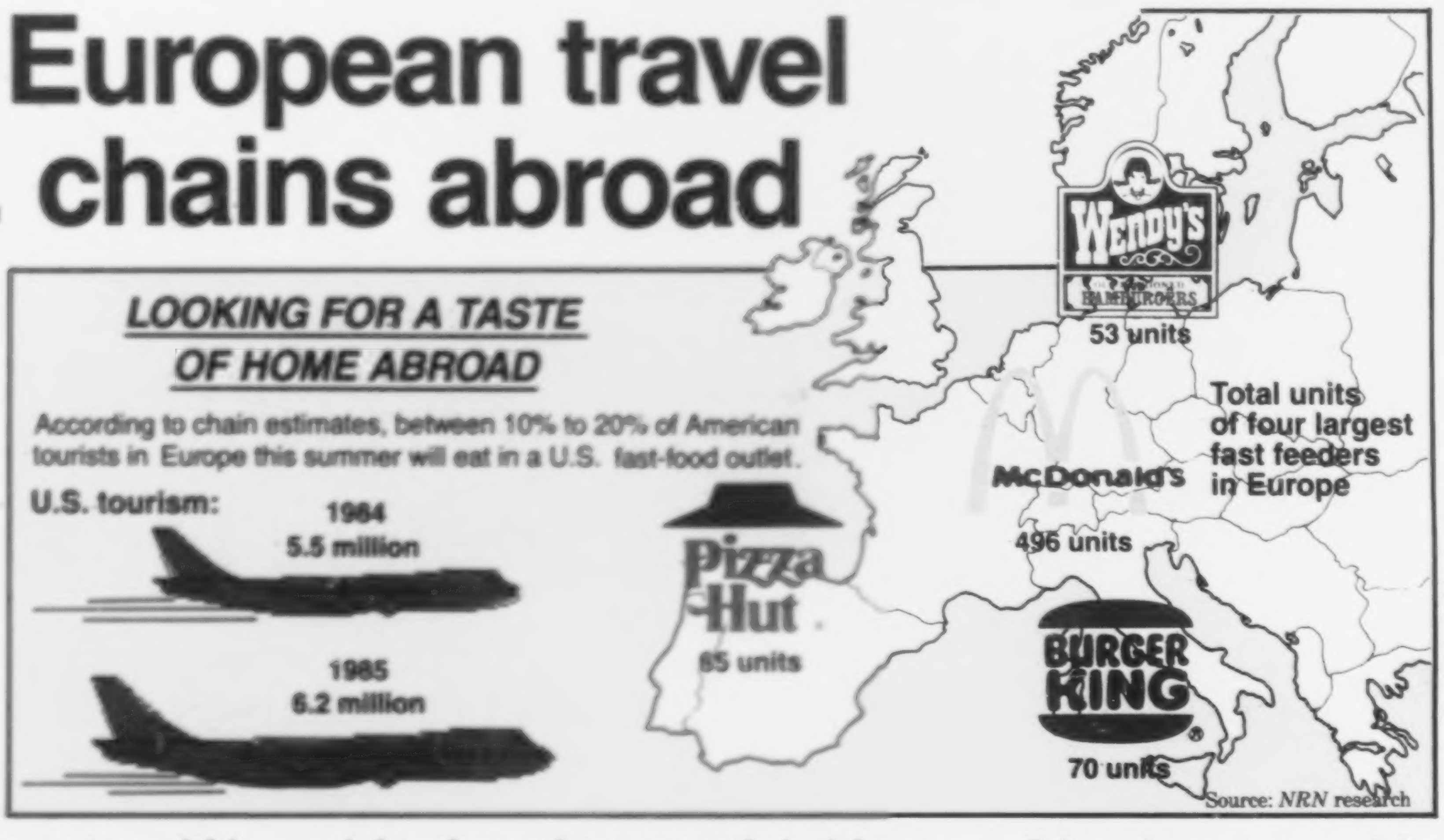
Surge in European travel aids U.S. chains abroad

By Marilyn Alva


LOOKING FOR A TASTE OF HOME ABROAD
According to chain estimates, between 10% to 20% of American tourists in Europe this summer will eat in a U.S. fast-food outlet.
U.S. tourism:
1984
5.5 million
1985
6.2 million
Pizza Hut
65 units
Wendy's
53 units
McDonald's
496 units
Burger King
70 units
Total units of four largest fast feeders in Europe

Source: *NRN* research

LONDON — The record number of Americans who will be tromping through Europe this summer, buying English woolens and French perfume and consuming fish and chips and trout meunière will also be gobbling up burgers and pizza from home.

American fast-food restaurants that dot the heavily traveled tourist meccas from Piccadilly Circus in London to Tivoli Gardens in Copenhagen are attracting not only the natives but also the weary American traveler from the States hungry for familiar food.

"Anytime you take a Pizza Hut, McDonald's or Burger King and put it in a foreign country within eyesight of tourists, it will attract them like a magnet," said a Pizza Hut official based in London. "It's safe. They know what to expect. And they can get back on the street to their sightseeing—fast."

Added John Rome, regional vice president for Wendy's in Europe, "It's a touch of home."

Sales volume at many of the American fast-food outlets is up as much as 30% this year in no small part because of the tourist influx. With some 6.2

*(See **TOURISTS**, page 12)*

12 named to MUFSO Golden Chain ballot

NEW YORK — Twelve leading chain and corporate food-service executives have been nominated as *Nation's Restaurant News* 1985 Golden Chain award contenders. Six of the 12 will be named Golden Chain winners by the readers of *NRN* in a ballot to be published in the newspaper next month.

Subsequently, a newly formed *NRN* Academy of previous Multi-Unit Food Service Operators (MUFSO) Golden Chain winners, nominees and MUFSO operators of the year dating back to the early 1970's will select one of the six nominees as the 1985 MUFSO Operator of the Year.

The six Golden Chain winners and the MUFSO operator of the Year will be honored at *NRN*'s annual MUFSO banquet in the Hyatt Grand Cypress, Lake Buena Vista, Fla., Tuesday evening, Oct. 15. (For details and registration information contact Paul Rolnick, 212-371-9400.)

The 12 Golden Chain contenders—based on long-term contributions to their chains and to the industry in innovation, training and motivation, quality and consistency—are in alphabetical order:

James Armstrong, vice president, food administration for Walt Disney World Company; Jeffrey Campbell, Burger King chairman; James Collins, Collins Foods chairman; Raymond Danner, Shoney's Inc. chairman; John Farquharson, ARASERVE president; Arthur Gunther, Pizza Hut president; John Lahourcade, Luby's Cafeterias president; Jack Laughery, Imasco USA (Hardee's) chairman; J. Willard Marriott Jr., Marriott Corp. president; James Maynard, Golden Corral Corp. chairman; Richard Melman, Lettuce Entertain You president, and Daniel Scoggin, T.G.I. Friday's president.

School lunches assailed

Cuts threaten most students

By C. Diane Hatcher

WASHINGTON — About 10,000 schools and five to six million children could be forced out of the National School Lunch Program if President Reagan's cuts are enacted, said Gene White, chairman of the American School Food Service Association's Legislative and Public Policy Committee.

Testifying before the Senate nutrition subcommittee, White said that if the proposed budget cuts are adopted, the school lunch program would be limited to serving only "poor children living in pockets of poverty." But she emphasized the ASFS believes "the National School Lunch Program would cease to exist as a nutrition and health program for all children."

The committee's hearing on child-nutrition programs also brought testimony critical of the proposed changes from many school administrators and institutional food-service representatives. Several critics of the Administration's budget plan warned Congress that the proposed cuts of be-

*(See **SCHOOL**, page 47)*

INSIDE *NRN*

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NEWSPAPER

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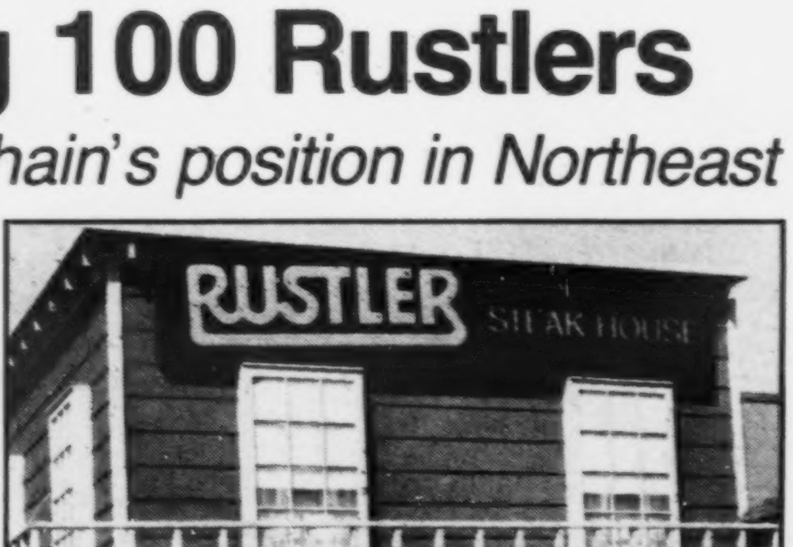
Sizzler acquiring 100 Rustlers

Purchase will enhance chain's position in Northeast

By Richard Martin



Sizzler plans to convert 80 of the Rustlers it will acquire into Sizzlers units.

LOS ANGELES — Sizzler Restaurants International has agreed to buy Rockville, Md.-based Tenly Enterprises for an estimated $15 million to $20 million, thereby adding 100 potential conversion sites—now Rustler units—and a six-unit auto-memorabilia theme concept to its 465-restaurant chain.

The two-year-old Tenly organization would be absorbed into Sizzler as a regional office to run the restaurants, most of which are located from Washington, D.C., to Long Island, N.Y., with concentrations in Philadelphia and northern New Jersey.

Aside from about 25 Sizzlers in New York and the planned expansion of a New York City franchisee, the Riese Organization, Sizzler currently has no significant presence in the Northeast.

In addition to Tenly's 75 Rustler steakhouses and a management agreement with an option to buy 25 other Rustlers in the Baltimore-Wash-

*(See **SIZZLER**, page 14)*

Sales increase at sluggish annual rate of 3%

Analysts say industry remains in trendless state

WASHINGTON — Sales at the nation's eating and drinking places rose at a still-sluggish annual rate of 3% in April, to $10.45 billion, the Government said in its earliest and broadest gauge of retail trade.

Restaurant industry analysts, while cautioning that the figures are subject to broad revision, said the industry remained in a trendless state.

The U.S. Census Bureau said April's slight gain was a marked slowdown from a revised 5.4% year-to-year growth rate in March. The figure for March was revised upward from the month-earlier estimate of 3.6%.

Analysts said April's apparent deceleration conflicted with reports from major restaurant chains that showed significant rebounds from March.

The Census Bureau, in addition, revised February's estimate downward a second time, to 1.4% from the month-old 2.7% figure. Harsh winter weather and tough year-to-year comparisons were blamed for traffic falloffs in February.

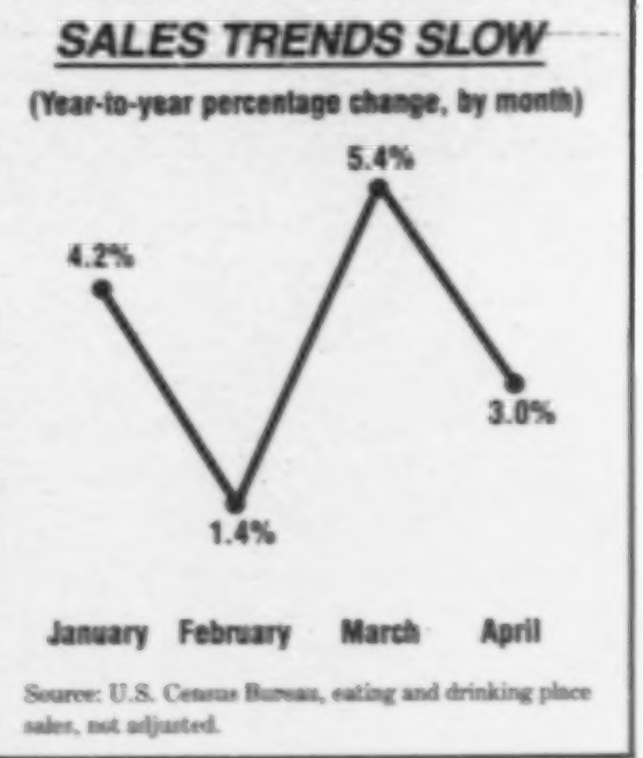
"Things in April were a little less bad. But they aren't good quite yet," said Edward Keaney, an analyst at Burns, Pauli & Co. brokerage in St. Louis.

Richard Chilton, at Alliance Capital Management in New York, said, "It was a fairly healthy April for some of the fast-food companies I follow. But some of the dinnerhouses seemed to be having problems."

The new Census Bureau figures released by the Commerce Deaprtment boosted food-service industry sales growth in the year's first quarter to 3.7% from an earlier estimate of 3.5%.

Total retail sales for all segments of the nation's economy were up 4.5% in April from April 1984, with durable goods up 6.6% and nondurables up 3.3%.

The figures are not adjusted for inflation or seasonal and holiday trading patterns.


SALES TRENDS SLOW

(Year-to-year percentage change, by month)

Source: U.S. Census Bureau, eating and drinking place sales, not adjusted.

Tavern on the Green, in New York City, opened all six of its dining rooms and served 3,000 people on Mother's Day. According to the NRA, 30% of all families eat out on that holiday.

Mother's Day promos help push restaurant sales to record levels

By Mark Schoifet

Mom was not the only one smiling on Mother's Day. Many restaurateurs were in equally high spirits as heavy customer counts and fixed-price specials helped boost sales to record or near-record levels.

About 30% of all families eat away from home on Mother's Day, making it the most popular holiday for restaurants, according to recent figures made available by the National Restaurant Association. St. Patrick's Day, when 23.8% of all families eat out, ranks second.

"It's the only Sunday we're open all year, and it's well worth it," said Mike Probst, owner of Phil Smidt & Son in Hammond, Ind.

Probst's restaurant did a record 1,121 covers and grossed just short of $20,000 on May 12, compared with about 900 covers and an average $13,000 gross on a typical Saturday. Last Mother's Day, the restaurant did 993 covers.

Phil Smidt & Son was open from 1 p.m. to 7 p.m. on Mother's Day. The menu featured the restaurant's all-you-can-eat house specialties, including frogs' legs, pike filet and chicken. Prices for the all-you-can-eat specials ranged from $7.50 for chicken to $15.95 for boned and buttered lake perch.

Probst said the Mother's Day crowd usually produces a somewhat lower ticket average because of the abundance of children. But he said, labor costs are kept below average because the restaurant is open for fewer hours. Also, many of the more popular dishes—chicken, lobster and steak—are less labor intensive, Probst said.

*(See **MOTHERS**, page 12)*

Bartenders, owners start AIDS program

By Alan Liddle

SAN FRANCISCO — Hundreds of bartenders, floor men, managers and owners of bars and restaurants frequented by gay people in at least three states are taking part in programs aimed at reducing the incidence of deadly acquired immune deficiency syndrome (AIDS).

By training hospitality industry workers to answer questions about "safe sex" practices, providing them with informational pamphlets, hot-line numbers and, in some cases, free condoms to be handed out, supporters of the programs believe they can help efforts to slow the spread of the disease.

The Centers for Disease Control recently reported that in the last four years more than 10,000 Americans have contracted AIDS, which cripples the body's immune system, and nearly half of them died as a result.

The disease still most often strikes homosexual and bisexual men, who make up 73% of the cases, but it is also reported among Haitians, intravenous drug users, recipients of blood donated by infected people and a growing number of heterosexuals.

There is no known cure for AIDS.

In the San Francisco Bay Area, the health-education program is known as "Bartenders Against AIDS," and it has been offering training courses in restaurants and bars since January. Les Pappas, of the San Francisco AIDS Foundation, which is coordinating the program, said that about 150 employees and owners of 50 gay bars and restaurants in the region have been trained.

At participating businesses employees wear T-shirts and buttons with the Bartenders Against AIDS logo, and signs in rest rooms inform customers that free condoms and advice are available. (Some doctors suspect AIDS is transmitted through semen.) Supporters said the program would be effective because many people tell their bartenders things they would tell no one else.

'About 150 employees and owners of 50 gay bars have been trained.'

The Bay Area effort was modeled loosely after a program begun last fall in Ohio by Buck Harris, a gay health con-

*(See **BARTENDERS**, page 14)*

NRN photo helps marshals capture wanted fugitive

NORTH BRUNSWICK, N.J. — Federal marshals credit *Nation's Restaurant News* with helping track down and capture William Fredrick "Weem" Schroeder, a 320-lb. fugitive also wanted in connection with a murder and an armed robbery.

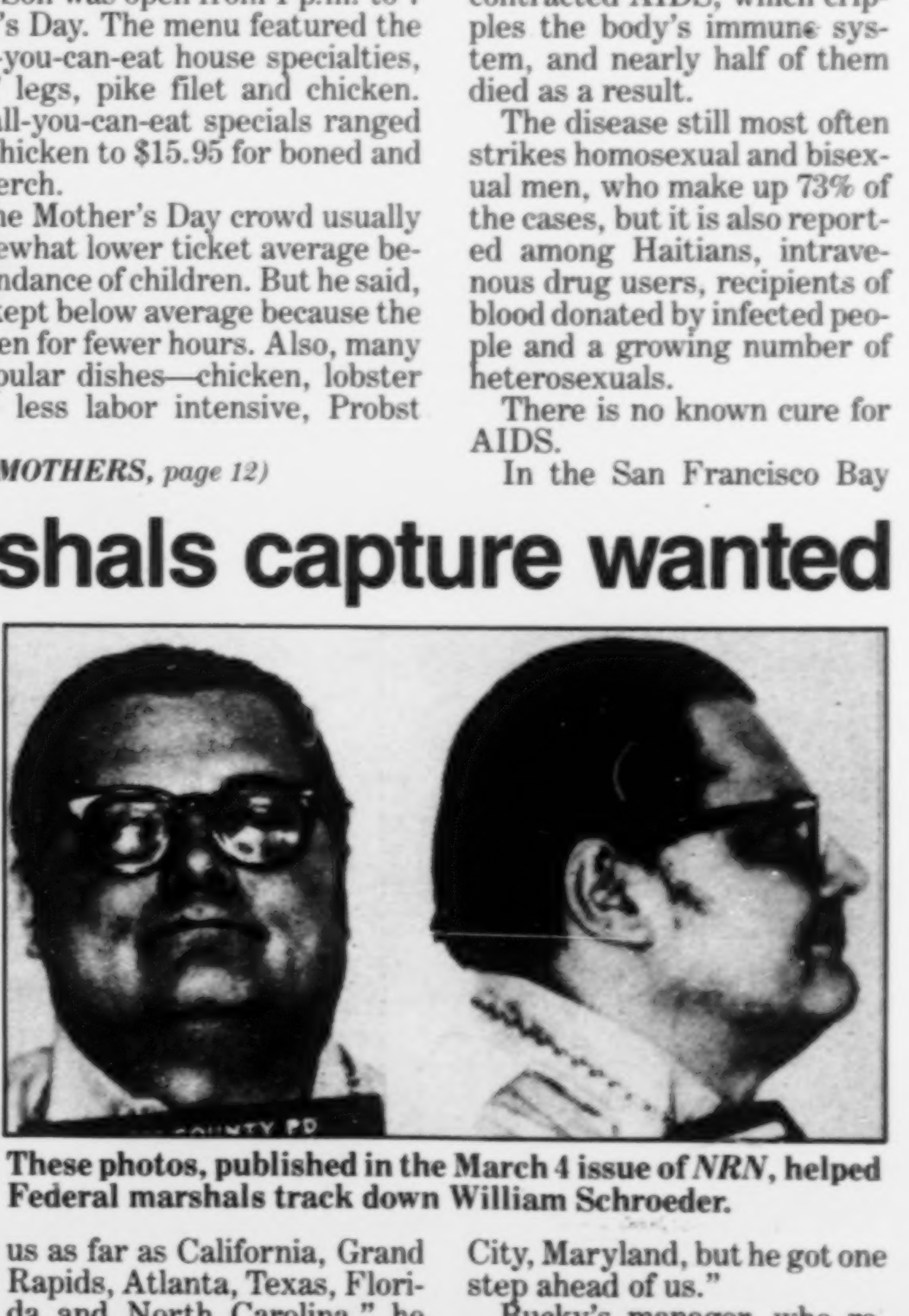
Schroeder, 39, was arrested as he scrubbed dishes in the kitchen of Bucky's restaurant here. Of aid to authorities in ferreting out their man: a story and accompanying photo in *NRN*'s March 4 issue, which law-enforcement officials confirm Schroeder himself read and tore out of the newspaper to prevent his boss from learning his true identity.

"The response was just unbelievable," said Dwight Schlegel, supervisor for the Warrants Squad of the U.S. Marshal's office in Baltimore, Md. "An awful lot of people, especially restaurant owners and managers, thought Schroeder had applied for jobs at their restaurants, and contacted us."

The story drew so many calls, Schlegel said, that they developed into a standing joke —"Oh, another Schroeder ghost. Let's go check it out."

Police found a bullet-proof vest and knives in the room Schroeder had rented adjacent to the restaurant. "Everything we thought about him turned out to be right," said Schlegel, who had theorized that Schroeder would be working in a restaurant kitchen somewhere.

"Leads from your article led us as far as California, Grand Rapids, Atlanta, Texas, Florida and North Carolina," he said. "At one point we tracked him to a restaurant in Ocean City, Maryland, but he got one step ahead of us."



These photos, published in the March 4 issue of *NRN*, helped Federal marshals track down William Schroeder.

Bucky's manager, who requested anonymity, called Schroeder "easygoing, basically a nice guy, never bothered anybody, never raised his voice. He was a workhorse." Schroeder had worked for the manager three years before at the nearby Rusty Nail restaurant, where he was also a dishwasher. When the manager heard the Rusty Nail was going up for sale, he called Schroeder and asked if he needed a job.

"All the employees said that if he needed a character reference, they'd all walk 500 miles to give it to him," said the manager.

Schroeder was wanted for Federal parole violation and was serving 14 years for firearms violations and escape. He is also wanted for murder and armed robbery by other law-enforcement agencies.

U.S. tourists abroad seek taste of home

(Continued from page 1)

million Americans expected in Europe this summer, an increase of 8.5% from the number last summer, which was a record year, chains such as Wendy's, Burger King, McDonald's and Pizza Hut are gearing up for the invasion.

"We're emphasizing a state of readiness," Rome said. He noted that Wendy's stores in busy central city areas, especially London, where there are stores at The Strand, Cambridge Circus and Oxford Street, are adding more help and managers to prepare for the American onslaught.

Wendy's, for one, has made a "low-key" effort, said Rome, to guide American tourists its way by contacting tour groups and selected hotels and handing out maps of the chain's European locations. Burger King advertisements are more visible in London, where five stores are located in central London; ads are spread across the sides of London taxis.

Many fast-food chains are extending closing hours to as late as 4 a.m. And with openings as early as 6 or 7 a.m., one can obtain a hamburger or a chicken nugget practically 24 hours a day.

"We've had people straight from Heathrow Airport," said a serious John Scott, Burger King's marketing director for Western Europe. He noted that a Burger King meal after an all-night flight from America does wonders for jet lag. "I've arrived at a Burger King store at 6 a.m. to find a London taxi waiting for us to open. Tourists from America who have flown all night have a Whopper and feel much better."

American tourists are, of course, becoming more sophisticated and do not go to Europe to dine on Big Macs and Whoppers alone. They do like to sample European restaurants and make a European meal a special occasion. Several London and Paris fast-food American outlets report that the American crowds thin out by 7 or 8 p.m. after virtually amounting to a stampede during the lunch and afternoon snack hours.

But even night after night of dining occasions can prove wearisome, and the "I'm tired of French food" crowd may forgo coq au vin for more plebeian fare. "They get sick and tired of all those cream sauces; after a while they want real American food," said American in Europe restaurateur Bob Payton. "They get nouvelle cuisined out. By the end of the day they want a pepperoni pizza."

If they do want a pepperoni pizza, Bob Payton happens to be around to provide it, at his new Chicago Pizza Pie Factory off the Champs Élysées in Paris, where 50% of the customers are Americans, and at others in London and Barcelona.

He also operates an American-style fish house and ribs shack in London filled with Americans "starved for American food." 80% of the customers at Payton's Henry J. Beans bar and grill on the King's Road in London on a Saturday afternoon are Americans, he said.

"Business is going to be unbelievable [this summer]," said Payton, who noted his American-style restaurants are already seeing capacity crowds. "The summer means lines will be longer."

Four Burger King stores on the Champs Élysées are raking in almost $3 million a year each in annual sales. Although the restaurants are vastly popular with Parisians, Americans are contributing to the volume. "We absolutely welcome them. They're good business. They're glad to be abroad but glad to see something familiar," said Scott.

In Milan Americans are much in evidence at Wendy's four stores, the first and only U.S. fast-food presence in that city.

And in Germany, where American military bases provide an uncommonly high number of American customers, the American stores—most notably McDonald's, the leader, with 200 units—are bursting with folks from back home.

Other chains there are not doing badly, however. Wendy's has 20 units in Germany; Pizza Hut is expected to add eight more to its current three. Burger King's highest-grossing units in Europe are near military bases in Germany; they take in about $3.5 million each.

But American fast-food chains doing business abroad want first and foremost to attract the locals. The Americans who are crowding into many of their stores are considered attractive business boosters. Said the Pizza Hut executive based in London: "Americans we're getting are just the icing on the cake."

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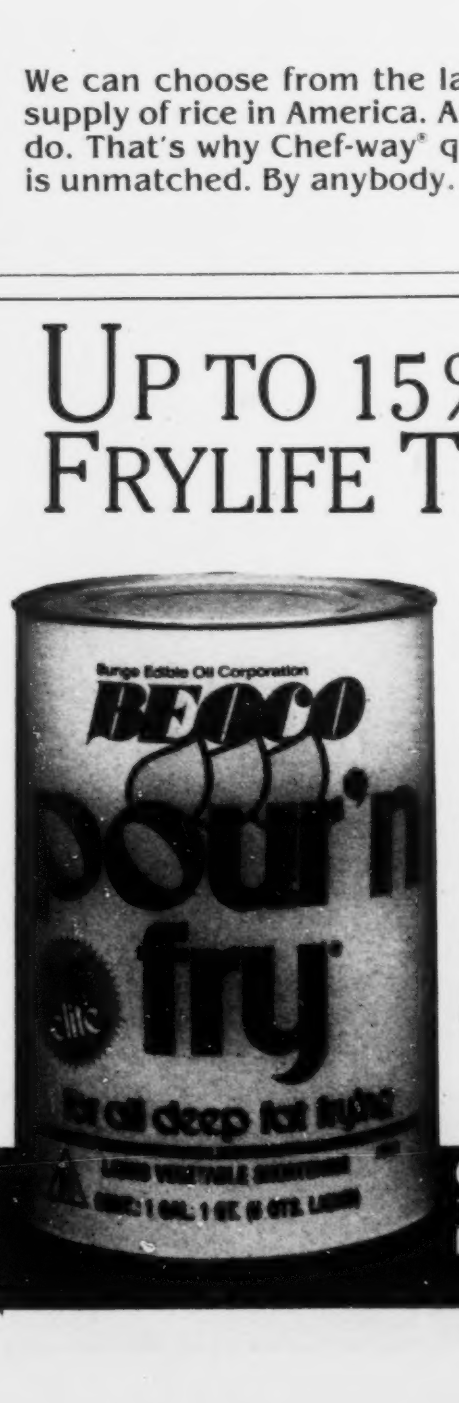

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Mother's Day traffic up

(Continued from page 4)

The 95th Restaurant in the Chicago John Hancock Center racked up more than twice its average gross on Mother's Day. It attracted 800 patrons and grossed $15,000 for a 10:30 a.m. to 4 p.m. brunch and a late dinner, according to Christian De Vos, general manager of the Fine Dining Division of ARA Services in Chicago, which operates The 95th. A typical Sunday brunch and dinner attracts about 400 customers combined, De Vos said.

He said Mother's Day is a valuable promotional tool because the restaurant is able to serve many first-time customers.

"We have the opportunity to reach so many people on this particular day," De Vos explained. "So we are extremely careful to give them the same value and service that we would on any other day. We want them to come back."

The 95th's Mother's Day brunch was prepared by chef William Della Ventura. The $17.50 fixed-price special included chicken breast with mustard and green peppercorn sauce; carved baked ham with glazed honey and grown sugar; grilled halibut with scallions, soy and sesame sauce; spinach pasta with cheese and roasted garlic custard, and warm crepes with marmalade and brandy sauce.

For a high-grossing restaurant, Mother's Day can mean an even higher gross. Tavern on the Green in New York, one of the highest-grossing restaurants in the country, opened all six of its dining rooms and served 3,000 people on Mother's Day. Among the fixed-price specials (average $28 per person) were roast rack of lamb, fresh salmon and Chateaubriand. The special included appetizers and desserts.

And Tavern on the Green's gross for the day? Almost $90,000.

"It keeps us off the streets," quipped Gail Bedard, Tavern's reservation manager.

"I'll take five Mother's Days a year," said ARA's De Vos.

COVER STORY

BLAZING PATHS TO RAISE CAPITAL

By Rick Telberg

Just as restaurant operators were learning to live with the financial marketplace, the rules changed.

Many traditional sources of expansion funds are drying up, the result of shifting economic undercurrents and a swelling tidal wave for tax reform.

But, at the same time, savvy restaurateurs are charting new routes for raising money.

"There are more people expanding in the restaurant business than in almost any other," said John Wolfe, acquisitions vice president at Realty Income Corp. in Escondido, Calif., a major investor in restaurant real estate.

Roughly 17,000 restaurant concerns are born—and die—every year in the volatile food-service industry. It is evidence, perhaps, that there is no shortage of capital. But it is evidence, too, that investors have reason to be wary and operators to be deft.

Going public? Think twice

The stock market, which allowed about 75 restaurant companies to go public from 1980 through 1984—five times as many as in the previous 10 years combined—has clearly soured on new issues.

"There aren't a lot of concepts left out there that haven't gone public," said Wayne White, a corporate financial adviser at Montgomery Securities in San Francisco. "And in this market, who'd want to?"

Investors say they are reluctant to fund new issues because they have been burned by former high-fliers that plunged to earth. Among the oft-mentioned miscues: Kelly-Johnston Enterprises, Pizza Time Theater, Big Bite, Tokyo Bowl and Godfather's Pizza.

But Bob Benowitz, an attorney at the New York law firm of Hill, Betts & Nash, which handled the recent public offering of Sbarro Inc., a 100-unit Italian cafeteria chain based in Melville, N.Y., advises:

"There is probably nothing better for a growing company that's in good shape than establishing access to the public equity markets."

Lendors under pressure

Commercial lenders, mindful of the carnage in the new-issue markets and taking views about an industry shakeout seriously, say they are tightening up their credit practices.

"It's getting harder for the upstart to start up," said one credit officer at an Eastern money-center bank. "But, hey, I'm a cruel and heartless banker. I don't care."

Nevertheless, another lending officer, this one on the West Coast, likes the sheer economics of the restaurant business. "There are no assets to borrow on," he said. "But almost 90% of the fast-food business has excellent cash flow."

Neither banker wanted to be identified in print.

Despite banks' professed reticence, most first-time restaurateurs fund their ventures, at least in part, with bank loans, almost always pledging personal assets, such as a home, as collateral.

Life without the S.B.A.

But new entrepreneurs could face a tougher job if Washington budget-cutters eliminate the U.S. Small Business Administration's lending programs. Last year the S.B.A. floated $328.8 million in direct loans or loan guarantees to 1,794 restaurant concerns.

"We might not be where we are today without the S.B.A.," said Thomas J. Sandeman, chief financial officer at Cucos Inc., a nine-unit Mexican dinnerhouse chain in New Orleans, which won S.B.A.-backed financing at a crucial stage of development.

S.B.A. financing has been especially useful to operators of restaurants franchised from national chains, said Janet Lowder, a restaurant financial specialist at the national accounting firm of Laventhol & Horwath's Los Angeles office. She added, however, that the financial system would find ways to compensate for the S.B.A.'s absence.

"Without the S.B.A.," she said, "banks will have to adjust to get the continuing business from restaurants. They write most of the loans the S.B.A. guarantees anyway. Banks need the revenue, especially savings and loans that are trying to get out of the home-mortgage business."

Seeking shelter

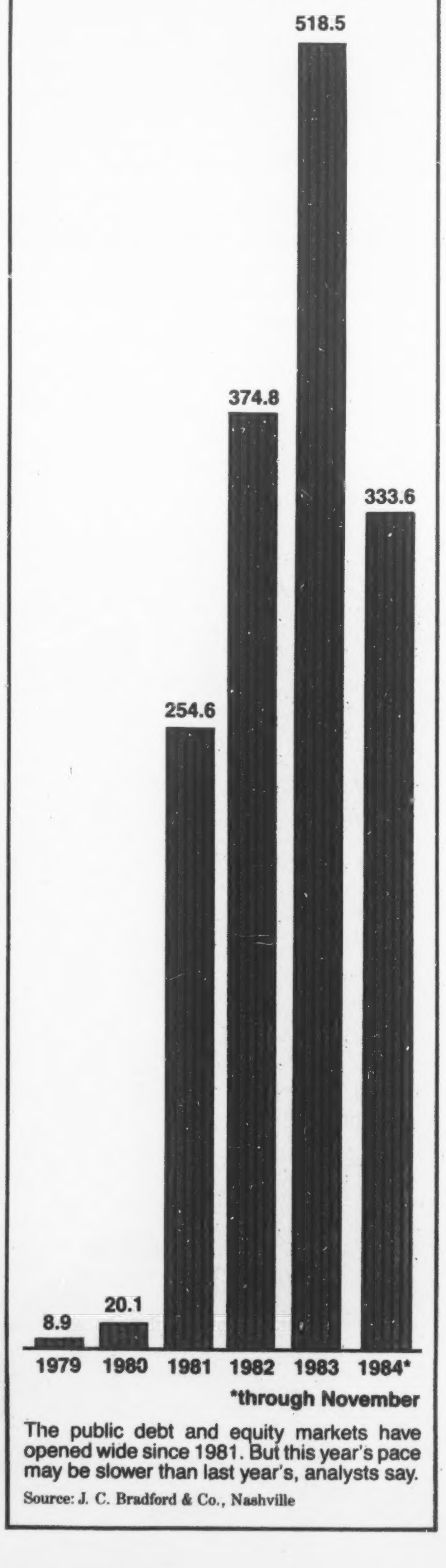
Washington politicians, seeking to cut the Federal deficit and heed the call for a fairer and simpler tax system, are clamping down on tax shelters, such as limited partnerships, long one of the most widely used financing vehicles for restaurants.

"Limited partnerships are getting

*(See **CAPITAL**, page F8)*

RESTAURANT FINANCINGS ROCKET IN THE 1980's

(Combined public debt and equity offerings, in $ millions)



The public debt and equity markets have opened wide since 1981. But this year's pace may be slower than last year's, analysts say.

Source: J. C. Bradford & Co., Nashville

Sbarro is one of the many companies in recent years that went public in order to tap new sources of capital.

BLAZING PATHS TO RAISE CAPITAL

> *'Investors say they are reluctant to fund new issues because they have been burned by former high-fliers.'*

(Continued from page F5)

bigger," noted White at Montgomery Securities. "Rather than putting together deals for just one, two or three restaurants at a time, I'm seeing deals for 12 or 25 at a shot."

Sales of real-estate limited partnerships hit a record $1.9 billion pace in the year's first quarter, according to Stephen Roulac & Co. of San Francisco. The reason: The instruments may lose their appeal after proposed tax-law changes, but current investors would be protected under "grandfather" clauses.

"We've raised $600 million in the past five years," said Morton Fleischer, president of the Franchise Finance Corp. of America, a Phoenix concern, backed in part by E. F. Hutton & Co. of New York. FFCA buys fast-food real estate, sells it in packages to investors and leases the site back to the restaurant operator.

"And we're getting applications from restaurant operators at the rate of one to two per day," Fleischer said.

If tax-sheltered partnerships are legislatively curtailed, real-estate investment trusts, REITs for short, may rise to take their place.

Golden Corral Corp., a privately held family steakhouse chain based in Raleigh, N.C., shook up the financial markets last October when it established a trust that raised $12 million to build 25 new restaurants.

"It's essentially a closed-end mutual fund that invests in real estate," said Bob Frank, a real estate analyst at Alex. Brown & Sons in Baltimore, the investment banking firm that underwrote Golden Corral's novel offering.

"Limited partnerships," he said, "still give the highest after-tax return to investors. But with the tax changes I'm hearing about, REITs could become the most efficient way to finance real estate."

Fifteeen new trusts, totaling $1.6 billion, were registered during the first quarter, Stephen Roulac & Co. reported, suggesting trusts will surpass their 1971 record.

Venturesome capital

Restaurateurs use real estate partnerships to convert the equity in their sites into increased cash flow, but funding brand-new enterprises remains in the high-strung world of venture capital. And yet venture capital remains an almost insignificant factor in the restaurant business.

Venture Economics Inc., a Wellesley, Mass., firm that tracks the $3 billion-a-year business of financing start-ups, reported that only 18 of the 2,700 concerns receiving disbursements in the last two years were restaurant companies.

"The consumer sector, restaurants included, is market-driven, not technology-driven," said Elsia Salvato, an analyst at Venture Economics. "So there's not as much opportunity for an investor to hit it really big."

Despite the difficulties, more venture capital has flowed to D'Lites of America, an Atlanta-based hamburger chain, and its franchisees, than to any other concept in recent years.

"You need a gimmick," Salvato said. "And D'Lites supposedly has high-nutrition, low-calorie hamburgers that fit into the sports-mindedness of the consumer sector today."

But Art DelVesco, general partner of Windpoint Partners in Racine, Wis., which invested in a D'Lites franchisee, countered, "You invest in management, not concepts."

But D'Lites may have been positioned to attract venture investors, said Dick Seal, president of Servlite Inc., Madison, Wis., a franchisee with one unit under construction and six more planned for the year.

"From the investors' point of view," Seal said, "you seldom find a restaurant start-up as nationally recognized or as fully developed at such an early stage."

Though D'Lites may have been particularly adept at obtaining start-up financing, its management strategy is not unusual, many experts said. A new generation of restaurateur, bred in publicly held corporations, is bringing a long-term perspective to corporate financial planning that molds every step from inception to initial public offering.

Private deals

Bob Freeman, a co-founder of Victoria Station, is building Road House Restaurants Inc. of Mill Valley, Calif., through private placements of common stock to a select group of close investors.

"It came naturally to me, I guess, because I was used to dealing in a corporate setting with shareholders," said Freeman, whose company has five California Café restaurants and plans three more soon.

Three offerings in recent years have raised $1.5 million from 41 shareholders. Freeman and his closest executives have retained 50% of the company. The $1 shares they floated in the first placement have grown in value with the company so that today Freeman is closing real estate deals with shares worth $5 each.

"There are too many glitches with partnerships," Freeman said. "You have to buy them out or merge them in before going public."

Freeman is now weighing his alternatives for a fourth round of financing. "We're wondering," he said, "whether to go to venture capital firms, a bank or back to some of our shareholders."

A SELECTED MENU OF FINANCIAL TACTICS

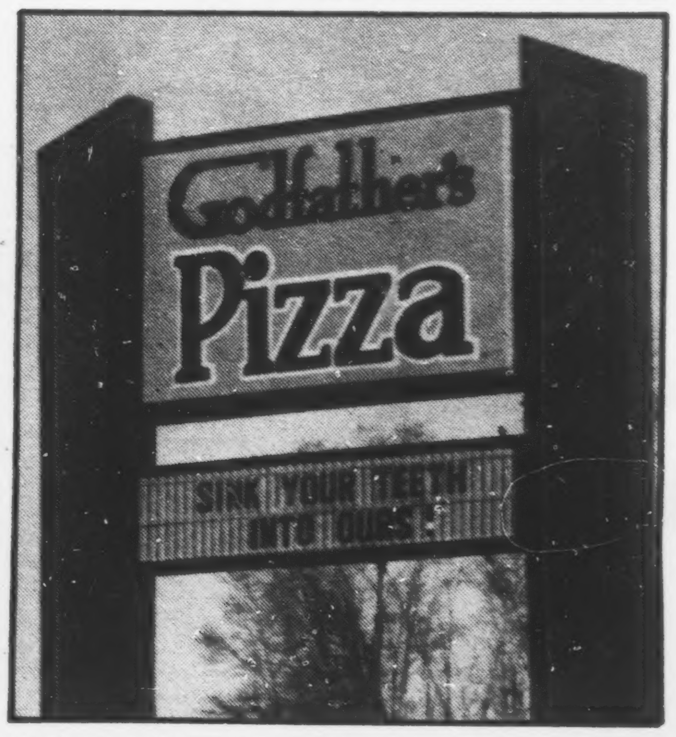
Appetizers (for Start-Ups)
- personal funds
- funds from family and friends
- bank loans with personal guarantees
- U.S. Small Business Administration
- limited partnerships
- equipment leasing
- seller, or carryback, financing

Entrées (for Mid-Sized Firms)
- Sale-leaseback financing, from:
  - real estate developer
  - financial institutions
  - private groups
- bank lines of credit
- private placements
- venture capital
- going public

Desserts (for Mature Companies)
- issue additional equity or debt
- straight mortgages
- refinance old mortgages
- merge, divest or acquire

CHUCK E. CHEESES
ZZA TIME THEATRE

GOLDEN CORRAL



One of the public-offering stars that fell to earth was Chuck E. Cheese's Pizza Time Theatre. Godfather's also took a fall, making investors more wary of initial public offerings. On the other hand, Golden Corral was successful in its innovative financing measures.

Gainers outnumber losers 6 to 5 in upbeat market

NEW YORK — In an upbeat overall stock market, advancing food-service issues outnumbered declining ones, 47 to 38, with 26 unchanged in price in the week ended May 17.

The Dow Jones Industrial Average went up 13.03 in the week, to close at 1,287.21, lagging behind other market indicators. Investors were buoyed by lowered interest rates.

(Because of computer problems at Media General, the company that provides stock data to *Nation's Restaurant News*, there was no Food-Service Operators Index at presstime for the week. The index closed at 118.7 in the previous week, ended May 10.)

Companies with the biggest surge and decline in weekly trading volume, relative to the previous 12-week average, were, coincidentally, the two large Pizza Hut franchisees. Kansas-based National Pizza Co. led the volume surgers, as 230,400 shares changed hands in the week. Tulsa-based A & M Food Service led the percentage decliners, as only 2,700 shares were traded.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Natl Pizza ____ M	656.4	Luby's Cafe ____ N	239.7
Marcus Corp ____ M	501.7	Calibre Cp ____ M	178.1
McFaddin Ventures ____ M	383.8	Carrols Cp ____ N	160.9
Vicorp Restaurants ____ M	382.0	Saga Corp ____ N	123.6
Servico Inc ____ M	324.5	Concept Dev ____ O	106.4

TOP TEN GAINERS

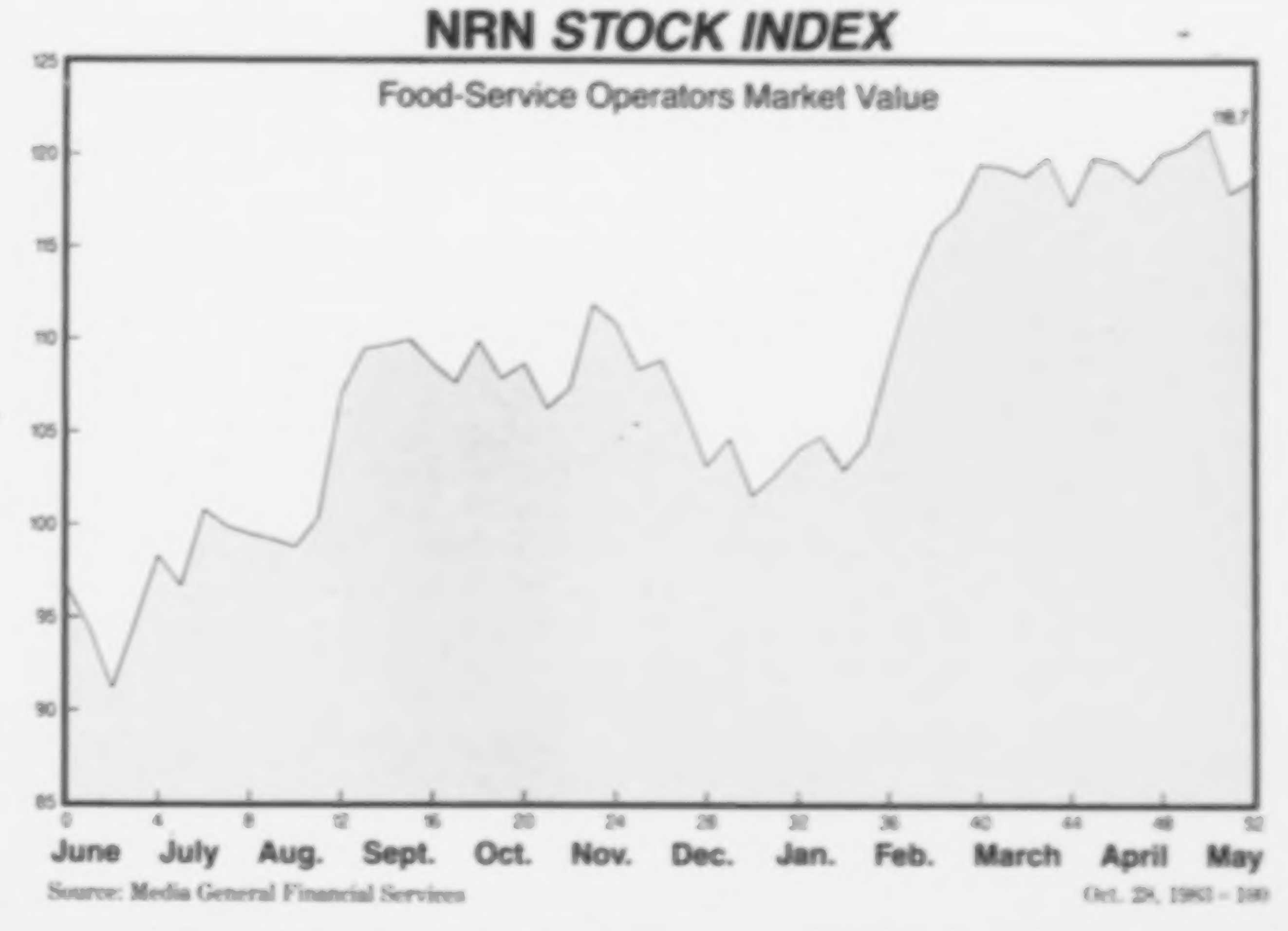
Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Calibre Cp ____ M	37.5	Pancho Mex Buffet ____ M	10.3
Brock Hotel Cp ____ N	22.2	Servico Inc ____ M	8.8
Stuf Yer Face ____ O	18.2	Maverick Rest ____ O	8.0
Frisch's ____ A	12.4	1 Potato 2 ____ O	6.7
Dunkin Donuts ____ M	11.7	Luby's Cafe ____ N	6.3

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kelly-Johnston ____ M	- 20.0	Mr Steak ____ O	- 10.0
Vie de France ____ M	- 16.1	Ritzys G D ____ M	- 9.1
Fuddruckers Inc ____ M	- 10.1	RAX Restaurants ____ M	- 8.8
Carrols Cp ____ N	- 10.1	SIS Cp ____ M	- 8.3
Nathans ____ O	- 10.0	Horn & Hardart ____ A	- 7.7

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	5-17-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ____ M	5.88	.13	2.2	5.88	5.50	7.13	3.50	27	.08	1.15	- 93.0	17.8	.00	.0	—	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests ____ M	4.63	- .13	- 2.6	4.75	4.63	5.38	3.50	41	.17	.83	- 79.5	15.9	.00	.0	—	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants ____ O	4.25	.00	.0	4.50	4.25	6.00	2.38	48	.21	.33	- 36.4	32.7	.00	.0	—	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts ____ M	11.88	.00	.0	12.00	11.63	17.13	10.88	641	1.45	2.36	- 38.6	16.0	.12	1.0		6 mos.	03-85	22.9	- 5.8	.7	- 36.4	.16	- 36.0	45.4	- 3.6	1.4	- 26.3	.32	- 25.6
Benihana Natl ____ M	19.25	.75	4.1	19.25	18.25	21.75	10.25	814	2.80	3.61	- 22.4	20.9	.00	.0	—	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms ____ M	20.00	- 1.00	- 4.8	20.75	20.00	21.00	14.75	627	.39	1.06	- 63.2	18.5	.30	1.5	—	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp ____ M	1.38	.38	37.5	1.38	1.00	5.25	.63	269	.89	.32	178.1	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ____ M	12.25	- .50	- 3.9	12.75	12.25	13.25	7.25	1,707	3.78	2.35	60.9	18.0	.16	1.3	—	fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab ____ M	2.13	.00	.0	2.25	2.00	4.88	1.38	936	.61	2.18	- 72.0	NE	.00	.0	—	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp ____ N	8.88	- 1.00	- 10.1	10.50	8.88	11.50	7.88	1,401	1.80	.69	160.9	12.0	.07	.8	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's ____ M	10.63	.50	4.9	10.75	9.75	18.25	9.38	12,009	4.45	2.89	54.0	16.9	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc ____ M	27.13	- .25	- .9	27.50	27.13	28.88	12.75	257	.55	2.71	- 79.7	35.2	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch ____ N	19.25	.88	4.8	19.38	18.38	19.38	11.38	3,958	1.05	1.29	- 18.6	16.6	.44	2.3	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods ____ N	21.25	- .25	- 1.2	21.88	21.13	23.00	11.09	730	.56	.87	- 35.6	16.1	.16	.8	—	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev ____ O	12.50	- .13	- 1.0	12.75	12.50	16.50	5.75	2,007	3.88	1.88	106.4	16.2	.00a	.0	—	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts ____ M	4.63	.00	.0	4.63	4.63	5.88	4.63	118	.36	.25	44.0	14.0	.08	1.7		6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant ____ M	4.38	- .13	- 2.8	4.63	4.38	13.50	4.13	1,157	2.54	1.63	55.8	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel ____ M	12.75	.00	.0	13.00	12.50	23.50	11.75	368	1.03	1.39	- 25.9	15.4	.14	1.1	—	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc ____ O	4.75	- .25	- 5.0	5.25	4.75	5.75	2.75	31	.18	.46	- 60.9	36.5	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods ____ M	10.75	.13	1.2	11.00	10.38	15.63	8.00	42,742	12.68	8.01	58.3	26.2	.34	3.2	—	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer ____ M	12.00	- .75	- 5.9	12.75	11.75	15.50	10.88	950	1.88	2.67	- 29.6	NM	.00	.0	—	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts ____ M	22.63	2.38	11.7	22.75	20.00	22.63	13.00	2,056	2.89	2.28	26.8	17.4	.24	1.1	—	3 mos.	01-85	140.7	589.7	2.6	13.0	.36	16.1	140.7	589.7	2.6	13.0	.36	16.1
El Chico ____ M	10.13	.00	.0	10.25	10.00	10.88	7.25	487	1.05	1.57	- 33.1	13.0	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest ____ N	16.00	.88	5.8	16.38	15.25	16.38	9.63	657	.59	.54	9.3	15.7	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper ____ O	.63	.00	.0	0.75	0.63	1.63	.63	147	.25	.39	- 35.9	20.8	.00	.0	—	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes ____ M	7.00	.13	1.8	7.13	6.88	9.13	5.13	899	1.30	2.34	- 44.4	NE	.00	.0		3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest ____ O	2.50	.00	.0	3.50	2.50	7.38	2.50	42	.28	.22	27.3	NE	.00	.0	—	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	- 100.0
Fresher Cooker ____ O	2.00	.00	.0	2.25	2.00	6.75	1.50	140	.63	.76	- 17.1	NE	.00	.0	—	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's ____ A	24.88	2.75	12.4	24.88	22.25	24.88	12.69	91	.21	.22	- 4.5	21.1	.22	.9	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc ____ M	7.75	- .88	- 10.1	8.00	7.63	15.13	6.38	1,685	2.59	4.87	- 46.8	NM	.00	.0	—	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot ____ M	2.69	- .19	- 6.5	2.88	2.69	6.38	1.63	698	1.17	1.73	- 32.4	NE	.00	.0	—	9 mos.	09-84	12.3	39.8	(.5)	NE	(.08)	NE	42.0	51.6	(.5)	NE	(.08)	NE
Good Taco ____ M	.75	.00	.0	0.81	0.75	3.38	.25	287	.97	2.52	- 61.5	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet ____ O	15.25	.75	5.2	16.25	14.75	15.25	9.75	19	.26	.18	44.4	8.2	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger ____ M	5.00	- .13	- 2.4	5.13	5.00	7.00	3.63	208	.72	1.88	- 61.7	26.3	.00	.0	—	3 mos.	11-84	14.4	- 4.6	(.1)	NE	(.04)	NE	14.4	- 4.6	(.1)	NE	(.04)	NE
Intl Dairy Queen ____ O	50.50	1.00	2.0	53.00	50.00	50.50	38.00	14	.07	.22	- 68.2	13.9	.00	.0	—	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab ____ M	20.00	.75	3.9	20.00	19.25	24.75	13.41	315	1.11	3.25	- 65.8	14.9	.00a	.0	—	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest ____ M	14.13	- .63	- 4.2	14.50	14.13	15.50	7.34	775	2.21	3.14	- 29.6	17.7	.16	1.1	—	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc ____ M	20.13	- .13	- .6	20.38	20.00	20.25	13.50	7,004	4.44	4.32	2.8	14.6	.12	.6	—	6 mos.	12-84	123.4	9.4	4.1	32.3	.26	30.0	255.3	8.5	10.4	15.6	.86	15.8
Kapok Cp ____ A	2.63	- .13	- 4.5	2.75	2.63	3.88	1.13	194	.86	1.03	- 16.5	4.1	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl ____ M	16.75	.13	.8	16.75	16.38	29.63	13.50	508	.72	1.44	- 50.0	10.0	.00	.0	—	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston ____ M	.50	- .13	- 20.0	0.63	0.50	5.25	.25	2,171	2.55	2.89	- 11.8	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest ____ A	2.13	.00	.0	2.25	2.00	3.75	1.75	449	.79	.63	25.4	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe ____ N	29.75	1.75	6.3	29.75	27.00	32.00	23.63	2,810	2.31	.68	239.7	19.6	.54	1.8	—	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.89	15.0
Marcus Corp ____ M	16.50	.25	1.5	16.50	16.00	17.13	11.88	1,836	3.61	.60	501.7	10.7	.28	1.7	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp ____ N	89.25	4.38	5.2	89.50	85.00	89.50	60.00	938	.36	.61	- 41.0	16.6	.54	.6		3 mos.	03-85	874.2	17.5	27.7	20.4	1.04	25.3	874.2	17.5	27.7	20.4	1.04	25.3
Maverick Rest ____ O	3.38	.25	8.0	3.50	3.13	6.25	2.25	229	.46	.39	17.9	42.2	.00	.0		fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max Erma's ____ O	3.25	.00	.0	3.50	3.25	5.50	2.50	12	.07	.51	- 86.3	NE	.00	.0		3 mos.	01-85	4.8	9.1	.1	NE	.03	NE	4.8	9.1	.1	NE	.03	NE
McDonalds Cp ____ N	64.00	1.38	2.2	64.38	62.63	64.38	40.84	9,413	1.10	.98	12.2	14.6	.82	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures ____ M	10.63	.25	2.4	10.75	10.25	12.25	9.63	1,610	3.29	.68	383.8	15.6	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc ____ M	19.75	- .25	- 1.3	20.25	19.38	20.25	13.25	2,182	1.64	1.82	1.2	13.2	.48	2.4	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak ____ O	2.25	- .25	- 10.0	2.50	2.25	3.13	1.13	764	1.60	1.09	46.8	NE	.00	.0	—	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express ____ O	1.00	.00	.0	1.13	0.88	2.50	.88	294	1.31	.87	50.6	NE	.00	.0	—	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans ____ O	3.38	- .38	- 10.0	3.63	3.38	4.50	1.78	87	.39	.98	- 60.2	13.5	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.30	18.2
Natl Pizza ____ M	8.75	.00	.0	8.88	8.25	9.75	7.50	2,304	4.16	.55	656.4	9.7	.00	.0	—	9 mos.	12-84	9.9	73.7	.8	300.0	.15	1400.0	30.4	25.6	2.8	16.7	.56	24.4
Naugles Inc ____ M	5.50	- .25	- 4.3	5.50	5.25	10.13	4.63	480	1.03	3.33	- 69.1	NE	.00	.0	—	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
Noble Roman ____ O	16.50	- .25	- 1.5	17.25	16.50	17.00	11.75	34	.56	.81	- 30.9	26.6	.00	.0	—	fiscal	12-84	4.4	51.7	.0	- 100.0	.06	- 60.0	17.8	53.4	.1	- 66.7	.24	- 61.3
1 Potato 2 ____ O	2.00	.13	6.7	2.13	1.88	12.25	1.25	70	.32	.79	- 59.5	40.0	.00	.0	—	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.80)	NC
Old Fashion Fd ____ M	5.00	.00	.0	5.00	4.50	6.25	4.00	36	.26	.36	- 27.8	10.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet ____ M	8.00	.75	10.3	8.00	7.38	8.25	6.00	1,406	3.79	7.01	- 45.9	14.5	.13	1.6	—	6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Peoples Rest ____ M	.31	.00	.0	0.31	0.25	2.50	.25	2,675	3.10	2.20	40.9	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ____ M	22.38	.13	.6	22.50	22.00	24.25	16.50	210	.35	1.51	- 76.8	14.2	.80	2.7	—	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4
Pizza Inn ____ A	8.25	- .25	- 2.9	8.38	8.13	12.75	6.88	180	.59	.89	- 33.7	15.9	.08	1.0	—	fiscal	12-84	46.3	23.5	(.9)	- 100.0	(.29)	- 100.0	181.9	22.2	1.6	- 55.6	.32	- 54.8

NRN *STOCK INDEX*



Source: Media General Financial Services

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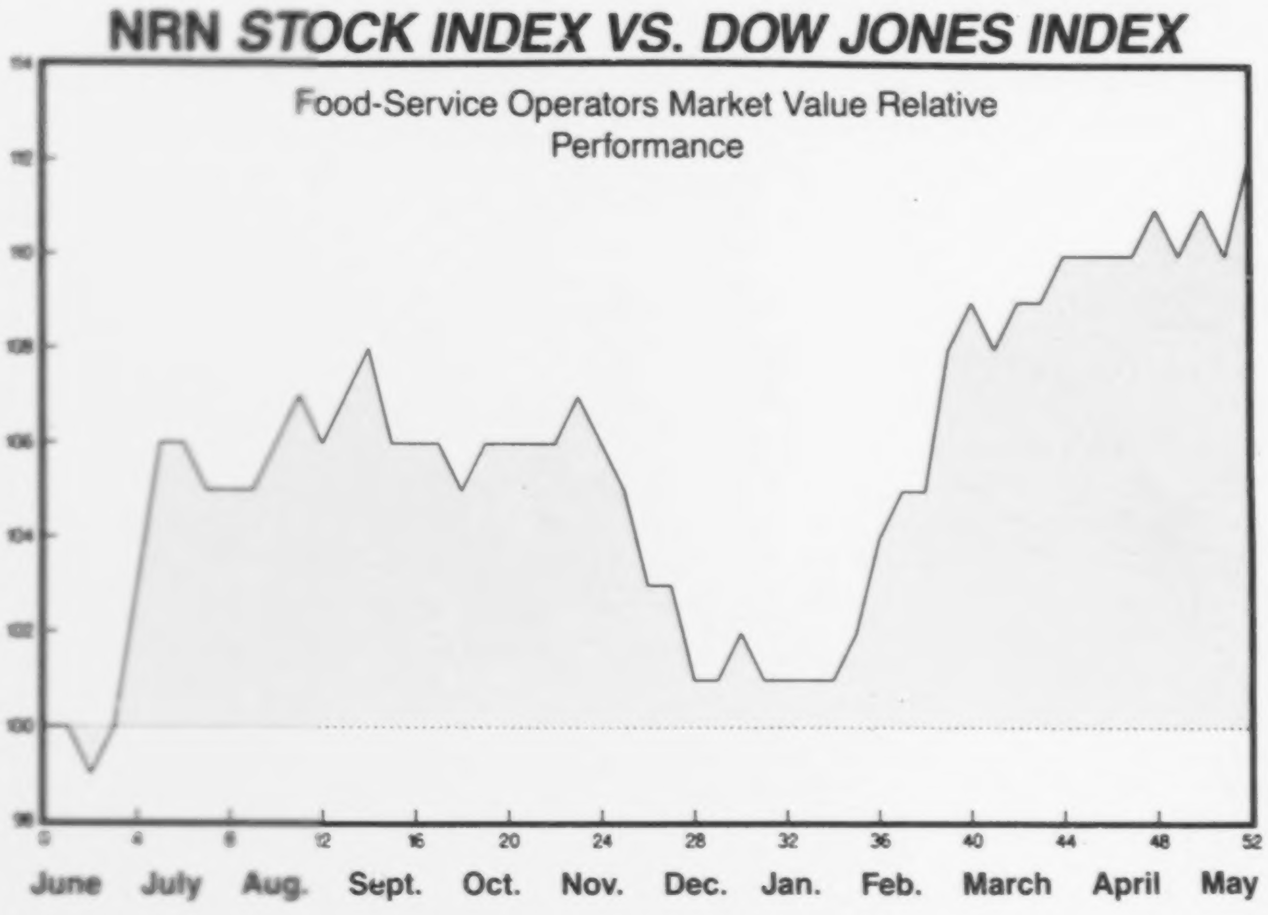
NRN *STOCK INDEX VS. DOW JONES INDEX*



	Stock Market											Financial Update																	
	Price							Volume					Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	5-17-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Po-Folks M	10.50	.00	.0	10.75	10.50	16.63	8.75	145	.33	.89	- 52.2	15.0	.00	.0	—	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys N	11.88	.38	3.3	12.25	11.50	21.63	11.25	3,146	3.27	2.33	40.3	12.9	.40	3.4		fiscal	02-85	132.6	- 5.4	(3.1)	- 100.0	(.36)	- 100.0	499.4	19.5	8.4	- 30.6	.92	- 39.1
Primo Inc O	2.38	.13	5.6	2.50	2.25	4.63	2.25	243	.72	.64	12.5	NE	.00	.0	—	fiscal	09-84	.9	.0	(.2)	- 100.0	(.07)	- 100.0	3.8	46.2	(.2)	- 100.0	(.08)	- 100.0
RAX Restaurants M	7.75	- .75	- 8.8	8.25	7.75	16.38	7.75	949	1.41	.71	98.6	18.9	.00	.0	—	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	7.75	.00	.0	8.13	7.75	8.88	5.38	115	.41	.58	- 29.3	14.1	.00	.0	—	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Restaurant Sys M	13.50	- .50	- 3.6	13.88	13.50	16.50	9.00	226	.98	1.11	- 11.7	14.8	.00	.0		3 mos.	03-85	11.0	5.8	.5	.0	.23	9.5	11.0	5.8	.5	.0	.23	9.5
Ritzys G D M	2.50	- .25	- 9.1	2.75	2.50	7.00	1.75	377	.73	.79	- 7.6	NE	.00	.0		3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican M	16.88	.75	4.7	16.88	15.88	18.25	11.00	483	1.71	.91	87.9	22.8	.00	.0	—	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryans Fam Steak M	18.75	.75	4.2	19.25	17.75	18.75	11.25	1,365	1.97	1.59	23.9	34.1	.00	.0	—	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp N	27.50	1.00	3.8	27.75	26.25	35.50	24.50	3,714	2.84	1.27	123.6	11.0	.52	1.9	—	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef O	7.00	.00	.0	7.25	7.00	9.00	6.75	22	.17	.63	- 73.0	12.3	.00	.0	—	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	9.25	.25	2.8	9.25	8.88	11.00	6.50	1,053	2.88	5.36	- 46.3	4.3	.00	.0	—	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc M	31.25	1.00	3.3	31.63	30.13	31.63	16.22	4,277	1.51	1.27	18.9	27.4	.15	.5	—	3 mos.	01-85	150.0	15.6	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	13.88	.00	.0	14.00	13.75	16.59	11.41	888	1.58	.79	100.0	11.1	.00	.0	—	fiscal	12-84	40.9	23.9	1.5	50.0	.25	38.9	167.1	18.0	7.3	49.0	1.25	22.5
SIS Cp M	4.13	- .38	- 8.3	4.50	4.00	7.00	3.25	40	.26	.44	- 40.9	NE	.00	.0		3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	23.50	- .25	- 1.1	23.50	22.50	23.75	11.50	1,002	1.45	.96	51.0	16.9	.00	.0	—	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	10.50	.50	5.0	10.50	10.00	12.50	8.00	201	.74	1.78	- 58.4	11.7	.06	.6	—	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality M	5.38	.13	2.4	5.38	5.00	5.88	3.75	1,003	2.01	2.44	- 17.6	15.4	.00	.0	—	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	.81	.13	18.2	0.94	0.78	1.44	.59	455	.30	.82	- 63.4	81.3	.00	.0	—	fiscal	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	2.00	- .13	- 5.9	2.25	2.00	3.63	1.88	93	.29	.61	- 52.5	NE	.00	.0	—	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	6.25	.00	.0	6.75	6.25	7.75	4.75	18	.05	.27	- 81.5	20.8	.00	.0	—	fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva M	6.50	.13	2.0	6.50	6.38	7.50	4.66	513	1.50	1.02	47.1	19.1	.00	.0		9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	10.75	- .25	- 2.3	11.25	10.63	13.13	7.88	202	.17	.53	- 67.9	16.0	.00	.0	—	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.25	.00	.0	2.50	2.25	3.75	2.25	7	.05	.07	- 28.6	NE	.00	.0	—	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
Transworld N	35.38	.63	1.8	35.38	34.00	37.63	24.50	4,072	1.14	1.78	- 36.0	11.5	.48	1.4		3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes M	4.63	- .25	- 5.1	4.75	4.63	5.75	2.75	2,337	3.72	2.46	51.2	13.2	.28	6.1		6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants M	28.00	.63	2.3	28.38	27.38	28.00	13.25	19,282	28.97	6.01	382.0	21.1	.12	.4	—	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations M	3.13	.00	.0	3.25	2.88	7.38	2.13	993	2.80	2.68	4.5	NE	.00	.0	—	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	16.75	.25	1.5	16.88	16.38	17.75	10.78	9,247	1.26	1.52	- 17.1	17.4	.21	1.3	—	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer M	9.00	.00	.0	9.00	9.00	12.00	9.00	13	.11	.34	- 67.6	15.8	.20	2.2	—	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp N	7.00	- .25	- 3.4	7.38	6.88	13.38	5.13	324	.72	1.68	- 57.1	50.0	.00	.0	—	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.75	.50	22.2	2.75	2.13	5.63	1.88	1,493	1.13	.86	31.4	NE	.10	3.6	—	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	67.63	3.13	4.8	69.00	64.38	73.50	45.50	7,340	2.96	2.88	2.8	14.8	1.80	2.7	—	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	54.88	1.88	3.5	55.38	52.75	55.38	35.25	4,583	1.60	2.29	- 30.1	13.8	1.00	1.8	—	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn N	29.75	1.13	3.9	29.88	28.38	29.88	13.50	1,292	.62	.92	- 32.6	26.3	.09	.3	—	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns N	6.88	- .38	- 5.2	7.50	6.75	8.25	5.13	5,445	1.46	1.90	- 23.2	52.9	.00	.0	—	fiscal	12-84	151.7	13.0	(2.1)	- 100.0	(.05)	- 100.0	598.1	4.6	4.7	11.9	.13	.0
Servico Inc M	21.75	1.75	8.8	22.25	20.00	22.28	13.63	782	2.25	.53	324.5	12.1	.00a	.0	—	fiscal	12-84	42.8	8.4	.1	- 90.9	.00	- 100.0	181.9	20.5	6.3	70.3	1.80	66.7
Sonesta Intl M	24.25	- .25	- 1.0	25.50	23.50	27.00	18.00	33	.22	.12	83.3	7.1	.40	1.6	—	fiscal	12-84	17.7	- 1.1	5.9	NE	3.83	NE	74.9	2.0	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev M	19.88	.75	3.9	20.00	18.75	22.63	13.50	1,812	3.02	2.70	11.9	12.0	.40	2.0	—	9 mos.	09-84	167.3	19.4	2.4	- 25.0	.39	- 25.0	486.1	25.2	7.0	- 5.4	1.12	- 6.7
Ch Full O Nut N	8.38	- .13	- 1.5	8.50	7.88	12.13	7.25	337	.71	1.38	- 48.6	NM	.48	5.7	—	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	81.75	1.13	1.4	82.13	78.25	82.13	45.25	6,797	2.06	1.38	49.3	56.8	1.20	1.5	—	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods O	1.88	.00	.0	2.13	1.88	2.88	1.13	44	.19	.80	- 76.3	20.8	.00	.0	—	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills N	57.00	2.00	3.6	57.75	54.63	60.63	47.75	11,972	2.70	1.72	57.0	33.7	2.24	3.9	—	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	41.38	.38	.9	41.63	40.00	44.50	36.50	4,630	.95	.99	- 4.0	10.9	2.80	6.8	—	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	10.50	- .88	- 7.7	11.63	10.38	16.44	8.63	961	.78	1.39	- 43.9	14.8	.00a	.0	—	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	31.00	.00	.0	31.88	30.50	31.88	24.13	856	.45	.75	- 40.0	15.0	1.80	5.8		3 mos.	03-85	574.3	8.6	12.0	2.6	.63	3.3	574.3	8.6	12.0	2.6	.63	3.3
PepsiCo Inc N	53.88	- .38	- .7	54.75	53.63	55.25	39.63	9,445	.98	1.90	- 48.4	14.1	1.78	3.3	—	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co N	49.25	2.38	5.1	49.50	46.88	49.50	34.50	2,772	.64	.75	- 14.7	11.2	1.56	3.2	—	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	9.75	- 1.88	- 16.1	11.00	9.50	15.25	9.75	733	.68	.94	- 27.7	16.5	.23	2.4		9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Tide turns to upstarts as fast-food growth crests

By Rick Telberg

A new study now making the rounds on Wall Street contains some sobering views for the would-be Ray Krocs, Bob Barneys and James McLamores of the world.

With fast-food growth apparently cresting after a scorching 20-year run, there is little hope of building new nationwide chains such as McDonald's, Wendy's and Burger King.

The demographic tide has now shifted in favor of small chains, of small restaurants, capable of picking off the pockets of consumers willing to spend more to get more than minimal fast-food fare.

"The industry is undergoing a process of 'refragmentation,' or a reversal of the long-term trend toward consolidation," writes John J. Rohs, a restaurant and hotel analyst at Wertheim & Co., a New York brokerage house. Rohs, 39, has monitored the industry for seven years.

Although the signs of maturation in the fast-food business are abundant, Rohs says, individual companies may still be able to prosper by beating their competition. "The name of the game now is market share."

Burger King's move to beef up the Whopper, Rohs notes, "is just one of the many, many signs of maturation in the segment."

Other tell-tale signs:

- Growth at the biggest fast-food chains seems to have slowed to the level of overall industry growth.

In the past two decades, he notes, fast-food outlets grew to acquire more than 40% of the restaurant market and the top six chains cornered more than half of the fast-food business. But in the last five years, fast-food growth has slowed from about 16% per year to 11%, while full-service restaurant growth held steady at more than 10% a year.

- Fast-food chains are running out of places to put new outlets and are now seeking sites along toll roads, military bases and overseas.
- Comparative advertising programs are aimed at stealing business from others, instead of winning more traffic from an ever-expanding market.
- Efforts to diversify menus and formats and go into breakfast tend to show that fast-food chains are operating at capacity with their old formulas.

But for every problem the giant fast-food chains may encounter, there are opportunities for the deft entrepreneur. Rohs points out:

- The restaurant industry as a whole is still growing faster than the overall economy.

In the last decade, inflation-adjusted restaurant sales have grown 1.1 percentage points faster than the nation's real Gross National Product. In the past five years, food-service beat real GNP by 1.3 points.

- More women in the work force increase both the need to eat out and the ability, a trend which should continue.

Today only three or four meals a week are purchased at restaurants, at an average price of $4.50 per meal. Both frequency and expenditure per meal have room for added growth.

- Although sales growth at the top 25 chains may have slowed, unbudged at about 33% of the market since 1980, the next 75 chains have increased their market share to more than 14% from less than 11%.
- "Even those segments considered most mature have had dynamic success stories in recent years," Rohs writes. "Witness Hardee's resurgence in hamburgers, Domino's dynamic growth in pizza or Popeyes' surge in the chicken business."

The same forces that are allowing more consumers to spend more at more restaurants than ever before, however, are making the business increasingly volatile.

"As restaurant meals become more frequent and more pricey in real terms," Rohs cautions, "households should be more inclined to trade down or cut back on them under adverse economic conditions."

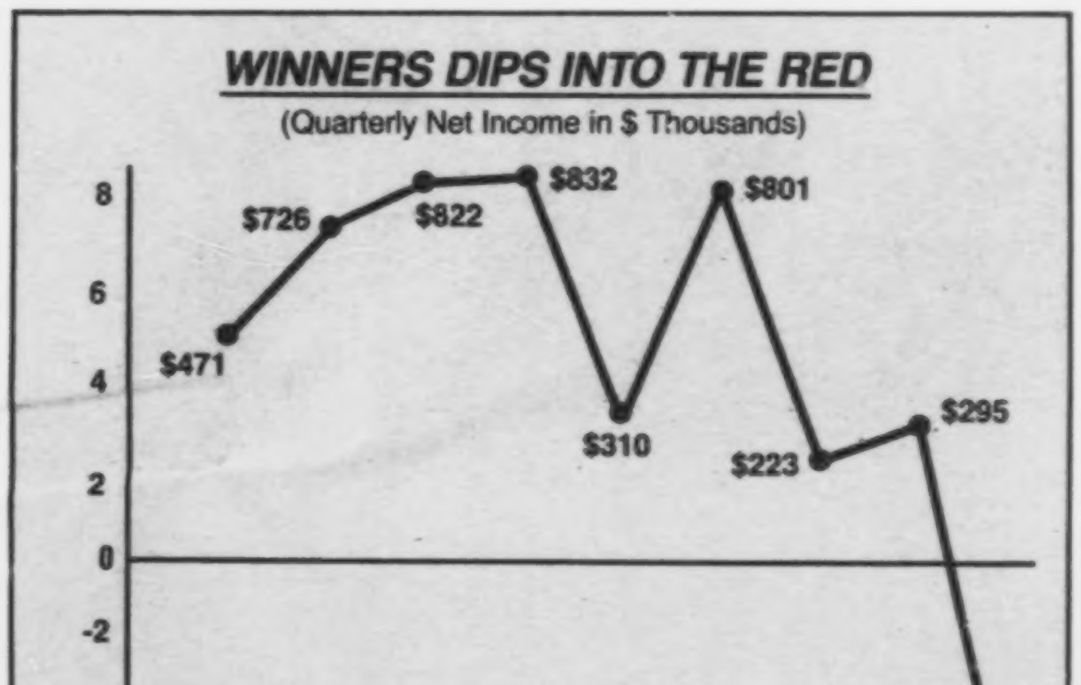
* * *

STOCK-PICKERS' PICKS: So, after all that, what does Rohs deem worth buying in the stock market? Only T.G.I. Friday's (recent price: $11).

The 101-unit chain of bar-restaurants, he notes, has an outstanding growth record with only a blot last year when earnings stumbled. Rohs sees a recovery that prices the stock at 14 times this year's expected earnings, 35% below the initial offering price.

Winners posts $633,000 loss

NASHVILLE — Winners Corp., operator and franchisor of 190 Mrs. Winner's Chicken & Biscuits and franchisee of 57 Wendy's restaurants, reported a loss of $633,000 for the first quarter ended March 31, compared with a net profit of $310,000 in the same period last year.



President M. V. Hussung Jr. attributed the loss to "severe winter weather and heightened competition," which reduced sales in Mrs. Winner's and Wendy's outlets.

Revenue in the quarter was down slightly, to $24 million, from $24.5 million last year.

Comparable average store sales of Mrs. Winner's in the quarter were down 8.9%, to $143,000, while Wendy's sales declined 10.6%, to $152,000.

Hussung said he hoped for improved sales volumes and profit margins in the second half through implementation of an "18-month operating plan," which includes greater investment in television advertising, new products and the introduction of a management information system in all units.

Products in test include chicken nuggets, potato fries, baked chicken filet and green beans.

A management information system is expected to "effect a significant reduction in waste and greater control of our food costs," said Hussung.

Ramada sees $1.3M first-quarter loss

PHOENIX — Despite a $2.8 million gain from the sale of four hotels, Ramada Inns reported a net loss of $1.3 million for the first quarter ended April 4, compared with a profit of $448,000 for the year-earlier period.

Revenues declined 4.6%, to $137.5 million, the company said.

Ramada said it operated nine fewer hotels during the quarter than it did a year ago, lowering hotel operating income by 35.9%, to $2.7 million.

However, Ramada admitted that occupancy rates for its U.S. hotels had declined slightly.

The chain said its gaming group posted operating income of $4.2 million for the quarter, down 53% from the figure for the same period of the previous year. It attributed the decline to heightened competition in Atlantic City and a rise in operating expenses in Las Vegas.

Ramada recently laid off 20% of its 700-person corporate staff in an effort to stem its losses.

Chairman Richard Snell said the chain is about to introduce a new Ramada Inn concept as part of an aggressive program to rebuild its asset base.

Ramada has been mentioned as a possible acquisition candidate several times on Wall Street.

About 565 Ramada Inns, Ramada Hotels and Ramada Renaissances were in operation at the end of the quarter.

NRN FINANCIAL NEWS

Sbarro prices offering

MELVILLE, N.Y. — Sbarro Inc., operator of 100 cafeteria-style Italian restaurants in shopping malls, priced its initial public offering of 1.15 million shares at $10.38 each. In the aftermarket Sbarro shares topped $12 and made the American Exchange's most-actives list.

A&M Food Service net up 14%

TULSA, Okla. — A & M Food Service, which is expected to become the largest Pizza Hut franchisee soon, with 149 units, reported that net profit for the first quarter ended March 19 rose 14%, to $292,334 compared with net profit for the same period last year.

Revenue in the first quarter was up 22%, to $7.8 million, and chief executive W. S. Atherton attributed the gain to the celebrity-oriented "Pizza Hut People" advertising campaign begun in January.

Automatique profit down 74%

KANSAS CITY, Mo. -- Automatique Inc., a food contractor and fast-food franchisee, said net income in the third quarter ended Feb. 28 was $8,600, down 74% from the year-before figure. Sales of $5.97 million were 12% higher than they were a year ago.

Chairman Arthur D. Stevens said the third quarter's traditional seasonal slump was compounded by start-up expenses for the company's G. D. Ritzy's and Mrs. WInner's restaurants.

Good Taco settles with Lynch

POMPANO BEACH, Fla. — Good Taco, a Mexican-style fast-food chain that suspended operations late last year, said former chairman Richard F.Lynch had agreed to tender 506,428 shares of stock as full payment for a $425,000 note and accrued interest owed to the company.

Lynch also agreed to the cancellation of 330,000 shares of stock that had been registered in his name and had been held in escrow until the company met certain financial performance levels, a spokesman said.

Vicorp plans 1.5M share issue

DENVER — Vicorp Restaurants Inc. has filed a plan to issue 1.5 million shares of common stock to raise about $36 million. The proceeds would be used to retire long-term debt and to acquire 23 restaurants from an affiliate. The company would have 8.16 million shares outstanding. Vicorp operates about 374 restaurants, 290 of them family coffee shops.

C5150-5

More restaurateurs turn to consultants —Page 3

Spectrum planning authentic upscale Mexican restaurant —Page 58

An American chef in Paris: Lianides meets the French —Page 100

Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

SHOW WRAP-UP

Vol. 19, No. 23 **Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year** **June 3, 1985**

Thousands gather on the floor of the exhibit area during the National Restaurant Association Show in Chicago. Index to coverage appears on page 12.

Worker shortage grows

Hunt intensifies for new hiring methods

By Peter Romeo

CHICAGO — A mounting labor shortage that could cripple long-term growth has prompted the food-service industry to hasten its search for new recruitment methods.

That quest was clearly in force at the National Restaurant Association's Restaurant, Hotel/Motel Show here, with NRA officials and members turning their attention to what could become the industry's most serious problem by the end of the decade.

"We're looking at a shortage of three million people 10 years down the road," said newly elected NRA president and chairman Ted Balestreri. With fewer young people entering the labor force, "we have to find ways to make sure we get our share."

There was short-term relief for the labor crunch, already reaching crisis proportions in such areas as Massachusetts, Florida and New Jersey. The show included a series of management seminars, where NRA members were encouraged to tap into the elderly and handicapped labor pools and to use their existing labor force more efficiently.

The NRA's top officials, meanwhile, began laying the groundwork for a more comprehen-

*(See **WORKERS** , page 163)*

Pillsbury bids on Diversifoods

By Don Jeffrey

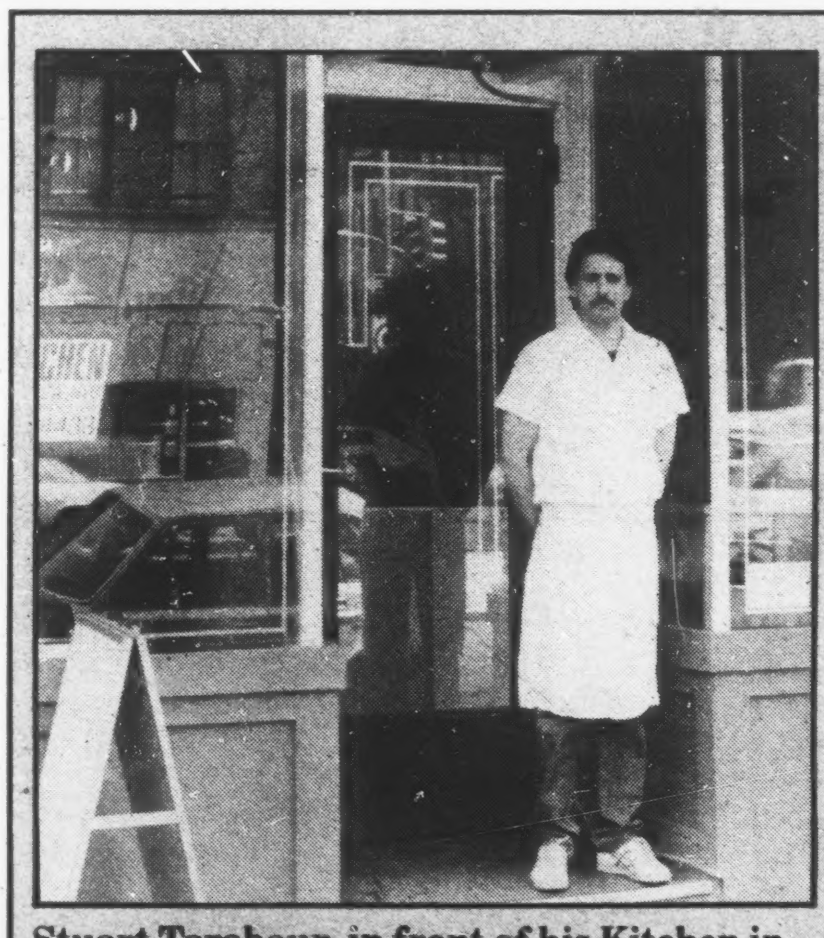
MINNEAPOLIS — Pillsbury, with a $360 million cash offer, has apparently beaten Horn & Hardart in a brief bidding battle for Diversifoods, the deeply distressed company with long-term potential for big profits.

If the deal goes through, Burger King parent Pillsbury wins Diversifoods' crown jewel: its 377 franchised and subfranchised Burger Kings. It thus keeps those restaurants out of the hands of Horn & Hardart's independent-minded chairman Barry Florescue, who is also a franchisee of the burger chain.

Besides being able to strengthen its Burger King chain through improved operations and stepped-up unit expansion in key markets, Pillsbury faces the enormous challenge of turning around the ailing, 895-unit Godfather's pizza system.

Pillsbury's bid—for 31.3 million shares at

*(See **DIVERSIFOODS**, page 163)*



Stuart Tarabour in front of his Kitchen in the Chelsea section of New York.

Changes beginning to reshape Chelsea

First of an occasional series

RESTAURANT NEIGHBORHOODS

By Howard Riell

NEW YORK — It's 3:30 a.m., and there's a guy sitting alone in the far corner of the Empire Diner, wearing a tuxedo, mirrored sunglasses and green Day-Glo socks. His hair is long, though some is shaved to the skull. He is blowing smoke rings.

Out on 10th Avenue traffic is brisk. It's Saturday night and hot, and everyone is out. The stretch limos with the tinted windows and the open-windowed cabs are still on the prowl. The derelicts and the Yuppies, the flower children and the young executives and the punks. Sometimes a cop. Middle-aged couples with walking sticks and packs of teenagers with sharpened sticks. All out, all breathing the same air, all vying for something. In the distance a siren wails, and back in the

*(See **CHELSEA**, page 111)*

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Turner: 'We're not worried'

Sees doubling of McD's sales, no saturation ahead

By Charles Bernstein

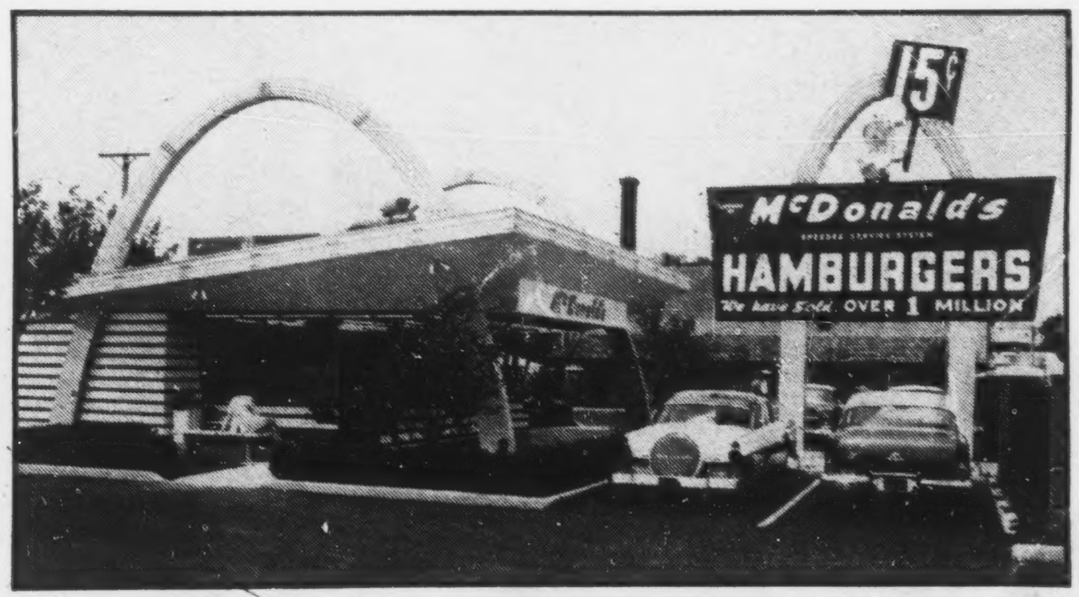
Turner

OAK BROOK, Ill. — "We're McDonald's, and we don't spend our waking hours worrying about what anyone else is doing. Sales of other chains are no factor whatsoever in what we do. We'll just continue to concentrate on competing with ourselves to do the best imaginable job in the fast-food business."

So declared McDonald's chairman and ceo Fred Turner in answer to questions from *Nation's Restaurant News* in a rare session following the annual meeting at the Lodge near Hamburger University here.

While one could interpret Turner's response as leaving room for McD executives to dream at night about threats from Burger King and Wendy's, the likelihood is that

*(See **McD**, page 163)*



The first McDonald's opened by Ray Kroc 30 years ago has been preserved as a museum. It was dedicated May 21, one day before the company's annual meeting.

NRN NEWS DIGEST

Acapulco's Doherty resigns

PASADENA, Calif. — Max Pine has assumed the additional title of chief executive officer of Acapulco Restaurants following the resignation of James C. Doherty, 46, as president and chief executive of the Mexican dinnerhouse chain.

Pine, who is Acapulco chairman, also is president and chief operating officer of New York-based Restaurant Associates, which has reached an agreement in principle to acquire Acapulco in an exchange of stock valued at about $8 million. Restaurant Associates had purchased a 89% stake in Acapulco in early 1984.

Grace completes acquisition

DALLAS — W. R. Grace has completed the acquisition of 83.5% of the outstanding common stock of Taco Villa. Grace's Creative Food 'N Fun unit has been merged into a subsidiary of Taco Villa. The combined companies operate and franchise 186 fast-food outlets.

In the merger Grace received 7 million newly issued Taco Villa common shares. For about $15 million, Taco Villa purchased 2.6 million shares of common stock previously owned by its president and chief executive Bobby D. Cox, members of his family and others. Cox still holds 9% and the public 7.5% of Taco Villa shares.

McDonald's adds equipment

OAK BROOK, Ill. — McDonald's is unveiling a bevy of new equipment including special convection ovens, holding cabinets to keep biscuits fresh, refined automatic scrambled egg cookers, microprocessor control drink valves, new energy-efficient ice machines and advanced energy control systems, according to Robert Doran, senior vice president and Southeast zone manager.

In addition, McD has launched a Chicken McNuggets holding cabinet with a countdown timer on each drawer and a special moisture release system. McD continues to heavily utilize computers in preparing many of its food items.

Wendy's expands hotdog test

DUBLIN, Ohio — Wendy's has reportedly expanded tests of its all-beef hotdogs from some 62 stores in Ohio to about 300 outlets covering 12 markets. While some analysts predict that hotdogs may be slated for systemwide rollout further down the road, a Wendy's spokesman denied such plans, emphasizing that the chain's upcoming breakfast rollout and media blitz are its sole new-product concern at this time.

New NRA officers installed

CHICAGO — Ted J. Balestreri, co-owner of the Sardine Factory in Monterey, Calif., has been sworn in as president and board chairman of the National Restaurant Association for a one-year term. He succeeds Harris O. Machus, head of a Birmingham, Mich.-based restaurant group.

Also installed by the NRA at its 66th annual show in Chicago were vice president G. "Jim" Hasslocher, president and chairman of Frontier Enterprises of San Antonio, and treasurer Michael Grisanti, president of Grisanti Inc. of Louisville.

Denny's to accept Sears' card

LA MIRADA, Calif. — Denny's has become the first restaurant chain to accept Sears' new Discover general-purpose credit card, which will be introduced next year.

MARKET UPDATE

Restaurants regain lost footing

NEW YORK — The *Nation's Restaurant News* Food-Service Operators Index surged 9.1 points in the two-week period ended May 24, closing at a record 127.8. Of that gain, 3.4 points occurred in the latter week. Food-service winners outnumbered losers, 46 to 40.

9.1

(Full tables, charts and analysis, pages 164-165.)

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Vol. 19, No. 23 June 3, 1985

Pizza delivery 'hot': NRA

Ranks 1st among consumers in survey

By Peter Romeo

CHICAGO — Restaurants featuring pizza delivery service have emerged as the most popular of the 15 "hottest" restaurant concepts, drawing in 40% of all American adults between February and May, according to a National Restaurant Association study.

Susan Mills, director of research for the NRA.

Also scoring high in popularity were restaurants specializing in regional American cuisine (frequented by 36% of U.S. adults during the period of study), pasta (34%), barbecue (34%) and upscale hamburgers (33%), the study showed.

Trailing the list were outlets featuring "pollo"-style chicken (17%), Cajun cuisine (14%), display cooking (12%), sushi and sashimi (7%) and mesquite grilling (5%).

However, NRA director of research Susan Mills, presenting the findings at the NRA show here, commented that "if consumer sentiment is a valid indicator, each [of the least-frequented concepts] will enjoy significant growth."

She noted that although few Americans are familiar with the least-trafficked concepts, significant proportions of the population expressed an interest in visiting them.

For instance, the study showed that 11% of U.S. adults, or 19 million people, intend to try a restaurant featuring mesquite grilling. About 14% want to try Cajun cuisine, 19% want to visit a restaurant with display cooking and 14% said they intend to try an outlet offering marinated, Mexican-style chicken, commonly referred to as "pollo."

The study indicated that the strongest pent-up demand is for premium ice cream outlets (cited by 25%), barbecue places (23%) and fresh-baked cookie outlets (21%).

The study also showed that the Baby Boom generation "in terms of sheer numbers" was "the driving force behind the spread of new concepts," according to Mills.

However, she noted that 18- to 25-year-olds "are undoubtedly the most adventurous when it comes to trying new restaurant concepts, particularly those that specialize

*(See **PIZZA**, page 88)*

Hardee's revamps hamburger to give it cooked-at-home look

By David Zuckerman

ROCKY MOUNT, N.C. — Unsatisfied with its burger sales in recent years, Hardee's has developed a new manufacturing process that creates a hamburger patty resembling the pressed-in-hand variety common at backyard barbecues, according to a source close to the company.

A ¼-lb. version of the new burger is currently being tested at a few company stores in the St. Louis market, the source indicated, with a systemwide rollout tentatively scheduled for the fall.

Coming on the heels of Burger King's recent reformulation of its signature Whopper, Hardee's is expected to enter the "burger wars" for the first time as a legitimate public contender. The new product will reportedly be touted as tastier and juicier than competitive burgers in a major media blitz that will follow the rollout.

While Hardee's stands as the No. 4 contender in the fast-food burger segment, the company has built its sales base and reputation largely on the strength of its breakfast program and specialty sandwich line.

Breakfast currently accounts for nearly 30% of Hardee's sales, according to industry estimates, making it far and away the morning daypart leader among major fast feeders. (McDonald's, by comparison, derives about 18%-19% of sales from breakfast.) Hardee's units average about $900,000 in sales annually.

Bennigan's adds Cajun dishes to menu

DALLAS — Three weeks after extensively revamping its menu, Bennigan's said it would expand its food line once again to include eight new Cajun items developed under the supervision of renowned New Orleans chef Paul Prudhomme.

Bennigan's is including eight new Cajun menu items, developed by New Orleans chef Paul Prudhomme.

Don Slater, vice president and general manager of the 174-unit casual-theme chain, predicted that the Cajun dishes would eventually account for 10% of Bennigan's sales.

Bennigan's parent S&A Restaurant Corp. believes the new Cajun line will sell well because of the growing popularity of regional American cuisine.

An increase in revenues from the new line would offset a decline in liquor sales that has held Bennigan's per-unit revenues to about $2.25 million despite a reported increase in food sales.

S&A president Mike Jenkins said the Cajun items may later be offered in S&A's other restaurant operations, which include the 380-unit Steak & Ale chain, the 33-unit J. J. Muggs upscale burger chain and a new seafood concept called Bay Street.

An S&A spokesman said Prudhomme will serve as a "quality control consultant" in the new menu rollout, scheduled to begin on June 15.

However, the spokesman said that S&A would not call

*(See **BENNIGAN'S**, page 96)*

Bender wins Gold Plate

School supervisor gets top IFMA award

By Richard Martin

CHICAGO — Distinguished restaurateurs and bottom-line heroes bowed to a nonprofit heroine of the schoolhouse during the NRA show, when Elizabeth "Betty" Bender was named winner of the prestigious Gold Plate award for food-service operator of the year by the International Foodservice Manufacturers Association.

Gold Plate award winner Elizabeth "Betty" Bender.

Bender, the innovative food-service supervisor for the Dayton, Ohio, public-school system, was selected the recipient of IFMA's award, one of the industry's most coveted accolades, over seven other Silver Plate honorees at a gala banquet at the Hyatt Regency on May 20.

"You'll never know anyone who was more surprised or more honored," remarked Bender.

Silver Plate winners were James Armstrong, vice president of food administration at Walt Disney World; Senior Master Sgt. Antonino Bavuso, U.S. Air Force food-service superintendent; Paul Fairbrook, auxiliary services director at University of the Pacific; Jack Goodall, president and chief executive officer of Foodmaker Inc.; Victor Rosellini, former NRA president and dean of Seattle restaurateurs; Harris H. Rusitzky, president of Serv-Rite Food Service and Consulting Corp., and Robert F. Underwood, food-service director of Maine Medical Center.

A former hospital dietitian and homemaker who helped a 1966 Congressional mandate become a demonstrable reality, Bender forged Dayton's exemplary hot-lunch program into a model of inner-city outreach.

Starting in 1970, she expanded full-meal service from 12 to 72 schools over a nine-month period, after first remodeling a 35,000-sq.-ft. par-

*(See **GOLD**, page 88)*

NIFI lauds Amendola, Harman, Nelson; Rosenthal leaves post

By Mark Schoifet

CHICAGO — At its 12th annual awards brunch, the National Institute of the Foodservice Industry cited three industry leaders for their contributions to food-service education.

Amendola

Harmon

Nelson

Rosenthal

Joseph Amendola, senior vice president of the Culinary Institute of America; Leon W. "Pete" Harman, president of Harman Management Corporation, and R. Dean Nelson, president of the Foodservice Group of Kraft Inc., were honored before more than 400 guests at The Palmer House. The event preceded the opening-day program at the 66th annual National Restaurant Association show, held across town at McCormick Place.

The awards ceremony was the last NIFI event presided over by foundation president

*(See **NIFI**, page 88)*

CEREAL
FOUNTAIN
HOT DOGS

Fast-food sales are growing for many convenience stores.

C-stores pushing fast food: panel

By Charles Bernstein

CHICAGO — "Many convenience stores are discovering that pumping coffee is far more profitable than pumping gas. Fast food is definitely a major growth industry in those stores."

This comment by c-stores industry consultant William Vastine dramatized a c-stores and delis panel discussion at IFMA's annual two-day Sales & Marketing conference (themed to "Return on Excellence") in the Hyatt Regency here just prior to the NRA Show.

Breakfast and lunch snacks are leading the way in c-store fast food, Vastine noted, while cold sandwiches and coffee head the list of items sold. "A lack of freshness in sandwiches and preprepared items is something that must be overcome," he asserted.

He called "excellence in food service" an ideal way for c-stores to obtain a healthy return on investment rather than "a return on ego." Led by 7-Eleven and supplemented by Circle K and other chains, the c-stores industry soared from just 500 stores in 1957 to almost 60,000 now, while total store sales have jumped from $75 million to almost $50 billion, Vastine indicated.

But pretax store profit margins average only 2.2% of sales—a motivation to include more fast-food items.

C-stores are averaging $506,000 annual sales per store on an average $451,000 investment. Fast food accounts for an average of 10% of total sales but varies greatly from 1% to as high as 35%.

Circle K food-service vice president Stephen Schwitalla predicted his company would double the number of domestic stores to 5,000 and have 2,000 stores "overseas" by 1990. Circle K's current fast-food mix accounts for 10% or

*(See **C-STORES**, page 163)*

COMMODITIES

Poultry production increases as prices remain low

***NRN* Special Report**

Poultry production, particularly of broilers, is running about 11% higher than last year and the pace is continuing. Although the market has dropped to reflect the larger supply, producers say lower feed costs and improved production and marketing techniques make continued profits possible at the lower prices.

Of course, it is primarily the larger producers who are making money at lower prices. Smaller poultry raisers have been gradually forced out of the business during the past several years, some as the result of natural disasters, such as heat waves and floods. But most of them simply cannot compete with the large integrated producers that control production from hatchery to market, and who deal in such numbers that small margins still produce large profits.

With feed prices promising to remain low through next year, barring unforeseen disaster, food-service operators can expect poultry to continue to be the least expensive center-of-the-plate meat available.

Preliminary forecasts of the American Soybean Association indicate that soybean production this year will be down about 7% from last year's bumper crop. However, with large stockpiles of domestic soybeans, export sales limited by heavy competition for world markets, and even this year's reduced crop larger than normal, supplies of soybean-based feed should continue to be low priced.

Early estimates of winter wheat is for that crop to be down by about 1½% to 2% from last year. This small amount of change should not disturb wheat prices to any great degree. Farmers are indicating that they will be planting about the same amount of sorghum (milo), rye and oats as they had in last year, so, in general, feed prices should stay at the low levels of the past year.

Beef and pork prices started to climb a bit in mid-May. An abundance of heavyweight cattle held on feedlots had kept a lid on prices of beef, and farmers continued to sell off hog breeding stock, holding the prices of pork down well below year's levels. By May 15, however, these conditions seemed to have worked themselves out. The price of pork rose several cents above 1984's May price level, and the price of beef was beginning to move upward.

Producers have been unhappy about the growing margin spread enjoyed by both packers and purveyors since the beginning of the year. The price to the producer for meat on the hoof has dropped drastically—to below the breakeven point for most of them. On the other hand, the price to the operator has not shown a major downturn.

While there is no sign that there will be a reduction in price to the operator, industry observers believe that packers will soon be paying higher prices for animals as the domestic sources start to dry up. In the case of hogs, a few months of prices about 48¢-50¢ a pound for live hogs could change farmers' minds about getting out of that end of the business.

For cattle producers, regardless of any improvement in the price for live animals, the turnaround time is much longer, taking about three years to make any substantial change in herd size. Few seem willing to risk the investment to increase herds with the high cost of money and so much uncertainty in prices.

Some agricultural economists, however, point to the number of cattle still in feedlots—about 3% more than last year at this time—and estimate that beef prices will not overtake last year's higher levels until at least the end of summer.

PRICE MOVEMENT AT A GLANCE

Cash prices	May 20, 1984	April 19, 1985	May 20, 1985
Beans, Pinto, dry, Colo. (cwt.)	$21.50-$22	$23.50	$23-$24
Beef, Choice, 700-900 lb., Midwest (lb.)	$0.99	$0.86	$0.93
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.6143	$0.4905	$0.5506
Carrots, No. 1, Calif., loose Jumbo (50 lb.)	$6-$6.50	$7	$6.50-$7
Corn, whole kernel, frozen, Grade A (lb.)	$0.46-$0.47	$0.46-$0.49	$0.44-$0.49
Eggs, Grade A, large white, Chicago (doz.)	$0.74	$0.53-$0.56	$0.53-$0.56
Lettuce, iceberg, No. 1, Calif. (24s)	$2.50-$3	$3-$3.50	$3-$3.50
Lobster meat, frozen, Canadian, NYC (11.3-oz. can)	$5.60-$6	$7.50-$7.85	$7-$7.50
Peas, Fancy 3s, Mid-Atlantic (6/10)	$14	$14-$14.50	$11.50

Dayton schools food chief wins Golden Plate

(Continued from page 3)

cel-service warehouse into a sophisticated, heavily automated commissary that is recognized as one of the most efficient kitchens in the nation. Bender's colleagues in school food service regard the Dayton operation as one of the premier examples of cost-effective meal production in the industry.

During a single eight-hour shift each school day, Bender's 214-person staff prepares 24,000 lunches at the rate of 100 meals per man-hour.

Those meals nourish children at 84 public schools, including some 40 facilities for the retarded, as well as at 37 day-care centers and 15 recreation sites.

The efficiencies of Bender's system also enables Dayton to provide hot meals for 27 parochial schools, including one that is Kosher, and for four other, smaller school districts.

Although 62% of the meals prepared by the Dayton schools are served completely free of charge, Bender is able to generate an estimated 3% to 5% operating margin to reduce the system's costs.

Her annual budget, which was less than $1 million when she started 16 years ago, now runs at $10.5 million. Food accounts for about 55% of total costs; labor, including fringe benefits, is 33%, while supplies and repairs represent 10%.

The Dayton school system allowed Bender to serve last year as president of the 55,000 member American School Foodservice Association, in which capacity she battled foes of entitlement programs through the association's lobbying efforts in Washington. "When you look at the [national] budget deficit, you know you have to fight for money for school food service," she remarked in an interview.

Bender also advocates the greater involvement of school boards in conquering barriers to efficient, meaningful food-service programs. Inherited equipment limitations are one problem many older school districts face, she said, along with dining environments that inhibit consumption because of dull colors and decor.

"A lot of times school boards don't think these are necessary, but we're dealing with very selective customers," Bender stressed.

Dayton schools' salad bars, deli lines and short-order setups demonstrate Bender's approach to nutritional enticement. Other examples are Tex-Mex cuisine, pasta, chicken nuggets—and the freedom of choice built into the modified scramble-system layouts that she has begun expanding from high schools into intermediate schools.

Bender continues working toward school food-service improvements. She supports such concepts as lunch *after* recess—aimed at lengthening attention spans and improving digestion by feeding kids when they are less inclined to eat hurriedly.

Bender also supports the re-evaluation of currently rigid Federal standards that specify compliance with nutritional qualifications but disallow equally nutritious alternatives that may be more popular with young consumers.

Three executives feted by NIFI; Rosenthal ends three-year term

(Continued from page 3)

Warren W. Rosenthal, chairman of Jerrico Inc., whose three-year term ended the following day. He is being replaced by Thad A. Eure Jr., first vice president of NIFI and owner of Angus Barn Limited.

In looking back over his three years as NIFI president, Rosenthal noted the many contributions the foundation has made toward improving education in the food-service industry. He said NIFI had awarded more than $170,000 in scholarships over the past year and had handled requests for more than 50,000 pieces of career literature.

"There is no reason why a Rhodes scholar can't be in the food-service industry," Rosenthal told the audience. "There is no reason why we can't recruit a Merit scholar."

The outgoing president also said that the NIFI has received more than $4 million in pledges in its fund drive to help pay operational expenses. The NIFI has set a goal of $10 million for the drive.

The program was opened by Richard J. Hauer, NIFI executive director, who welcomed the guests and introduced the dais. After a brunch of fruit salad and cornish hen, Rosenthal introduced three key NIFI supporters: Harris O. Machus, president of the National Restaurant Association; John Patten, chairman of the International Foodservice Manufacturers Association, and Richard Cornelius, president of the National Association of Food Equipment Manufacturers.

Patten, who is also the executive vice president of Centre Brands Inc., presented Rosenthal with a $60,000 check for the NIFI's scholarship program.

Amendola, Harman and Nelson were then inducted into the NIFI College of Diplomates, which was established in 1974 "to recognize outstanding members of our industry who have actively supported the advancement of professionalism through education."

Amendola was cited for his 37 years of industry service. Starting as a bakeshop instructor in 1948, he played a major role in establishing the Culinary Institute of America's educational program. He on baking, pastry making and ice carving. His books are said to have set industry standards

Based in Los Altos, Calif., Harman Management Corporation annually conducts a training and incentive convention. At the helm is president "Pete" Harman, who received the Horatio Alger Award in 1971 as "an American whose career typifies results of individual initiative, hard work and adherence to traditional ideals." His family personally endowed the new School of Continuing Education at Brigham Young University.

Under R. Dean Nelson's direction, Kraft Inc. has given strong support to such food-service educational activities as Student Chefs and the Culinary Olympics. Nelson was named winner of the American Culinary Federation's Industry Support Award and was designated Foodservice Executive of the Year by ACF in 1984. He is the former chairman of the International Foodservice Manufacturers Association and is credited with helping to expand the association's educational activities.

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VOLLRATH
FOODSERVICE DIV

CROWD PACKS 1985 NRA SHOW

Crowds packed the floor at the National Restaurant Show in Chicago. Between 80,000 and 90,000 people attended the event which had more than 1,400 exhibitors. In addition to the show floor exhibits, there were seminars, a theater series, luncheons, banquets and much more.

Pizza delivery, regional foods gain customer popularity

(Continued from page 2)

in fast, inexpensive, convenient eating."

In particular, Mills continued, young adults "sandwiched between Yuppies and the New Wave" are most interested in outlets specializing in fresh-baked cookies, hand-dipped ice cream, gourmet take-out service and upscale burgers.

"Although many of these concepts are aimed squarely at the Baby Boom generation, the youngest group is doing more than its share to keep business booming," she said.

Mills commented that "the restaurant industry needs to take a closer look at these young adults who are so enthusiastically embracing new restaurants," and she noted that "the 18- to 25-year-old group eats a greater proportion of its meals away from home than do older consumers."

However, restaurants featuring a diet or "lite" menu are more likely to be frequented by the 25-to-49 age group, the study showed. "No particular region predominates," said Mills.

The popularity of the 15 restaurant concepts studied varied widely geographically, said Mills. Pasta restaurants are particularly popular in the East, while barbecue outlets do well in the South, she noted.

The consumer preferences study was conducted by the Gallup Organization on behalf of the NRA.

RESTAURANTS PATRONIZED IN PAST THREE MONTHS

Specialty	% of All Adults	Number of Adults (In Millions)
Pizza delivery	40	70
American regional Cuisine	36	63
Pasta	35	61
Barbecue	34	60
Upscale hamburgers	33	58
Premium ice cream	32	56
Fresh baked cookies	29	51
Diet or lite items	26	46
Oriental fast food	25	44
Gourmet take out	18	32
Marinated Mexican chicken	17	30
Cajun cookery	14	25

Source: NRA

RESTAURANTS PEOPLE ARE LIKELY TO TRY

Specialty	% of All Adults	Number of Adults (In Millions)
Premium ice cream	25	44
Barbecue	23	40
Fresh baked cookies	21	37
Display cookery	19	33
Pasta	18	32
American regional cuisine	17	30
Gourmet take out	16	28
Upscale hamburgers	16	28
Oriental fast food	16	28
Cajun cookery	14	25
Marinated Mexican chicken	14	25
Diet or lite items	14	25

Source: NRA

Hourly workers sought

(Continued from page 1)

sive attack on the problem.

The association's board of directors voted to spend $95,000 for researching labor issues. About $55,000 will be used for a "comprehensive wage and policy study." The remaining $40,000 will be spent on an "industry image research proposal" to counter what many believe is the crux of the labor problem.

"The problem we face is an image problem," Balestreri said. "We have to break out of food-service operator stereotypes of the past."

Many Massachusetts operators cited those stereotypes—casting food-service workers as manual laborers slaving 18 hours over a grill for minimum wage—as the prime reason for their labor shortage, which they claim is among the most severe in the nation.

"Working an ice cream scoop becomes a low priority as something they'd do for money," a spokesman for a Boston-area ice cream chain said of the college students and recent graduates who once formed the bulk of its labor pool.

But the food-service industry has no one but itself to blame for its image as a poor career choice, contend young people who have passed through the restaurant industry on their way to other occupations.

"Have you ever worked in a fast-food restaurant? It's awful," said one. "They [food-service employers] use you. They treat you like dirt, the hours are terrible and they pay you peanuts."

NRA executive vice president Bill Fisher commented that it is too early to say exactly what the NRA will do to upgrade the industry's image as an employer. Another spokesman would say only that The Coca-Cola Co. will participate in the program.

Balestreri said one line of attack could be a college recruitment drive touting the food-service industry as a career choice rife with opportunities.

Meanwhile, restaurant chains throughout the country are formulating their own remedies for the labor crunch.

To staff the 28 restaurants it plans to build over the next two years and retain the 500 people it now employs, seven-unit Red Robin International of Seattle is implementing a profit-sharing program.

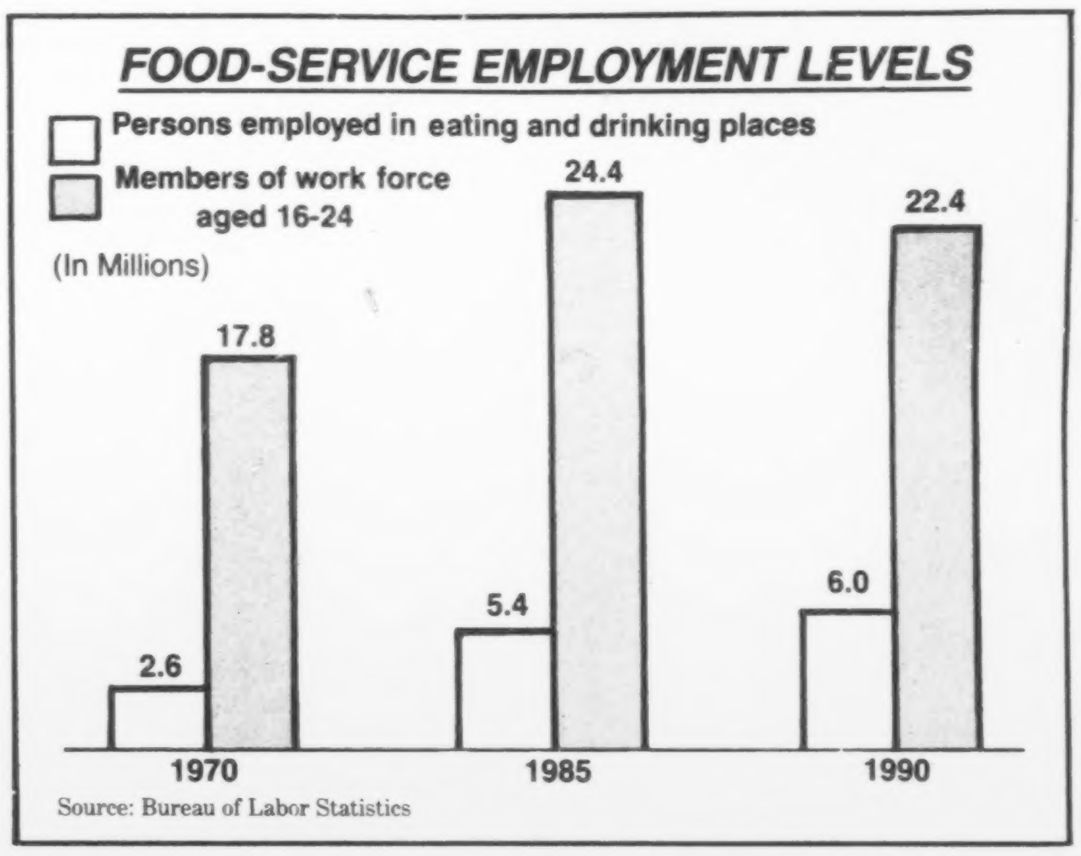
Many of the new gourmet burger outlets will be constructed in southern California and Florida, where it is particularly difficult to lure in employees, according to Red Robin president Greg Hubert.

Saga Corp. of Menlo Park, Calif., admitted that its Velvet Turtle dinnerhouse chain is suffering a decline in customer counts. But Saga president Charles Lynch maintained that the chain is nevertheless valuable since it plays an "absolutely vital role" as a source of workers for other Saga operations.

"It's the best thing short of buying a culinary academy," said Lynch.

Not coincidentally, Saga has been negotiating with McKesson Co. for more than a year to buy the latter's California Culinary Academy.

In New York City "'help wanted' signs in our local burger chains just a few years ago were made of cardboard and visible only on occasion," said resident John J. Rohs. "Today the same signs are carved of finest wood and on permanent display in a prominent location.



Source: Bureau of Labor Statistics

Diversifoods: New buyer

(Continued from page 1)

$11.50 a share—was disclosed one day after New York-based Horn & Hardart made its $12-a-share, $369 million bid. Although Horn & Hardart's offer was higher than Pillsbury's, it was less attractive, said Diversifoods spokesman Ken Pieper, because it involved only $10.30 cash (the rest in stock) and would create "a highly leveraged company."

At presstime there was still a chance of another bid from Horn & Hardart or from another company. But analysts agreed that Pillsbury's option to buy some 16.4 million shares of authorized, unissued Diversifoods stock was a good strategic maneuver that would prevent a bidding war.

The directors of Diversifoods and Pillsbury have unanimously approved the acquisition.

Observers believe Pillsbury had to make an offer when it did to prevent Florescue from becoming the most important Burger King franchisee.

Nevertheless, Florescue is a clear winner in this buyout. His partnership, Jesart, bought 8.4% of Diversifoods' stock this spring at or under $10 a share and thus stands to make between $5 million and $10 million. Some analysts think his strategy all along may have been to flush out a higher outside bid. He was unavailable for comment.

Pillsbury spokesman Johnny Thompson said of its offer: "It wasn't a reaction to anybody else. It's part of the long-term strategy of Pillsbury."

Pillsbury has long stated its intention to boost its company-owned units from 14% to 20% of the system. That move would give it ownership of 20% (or 837) of its 4,123 worldwide units.

Sources say Diversifoods' Burger Kings have not performed up to potential because the company has had to divert attention to serious problems at Godfather's and other concepts. Expansion in the prime markets of Chicago, New Orleans and Washington has been slow.

It remains to be seen what Pillsbury will do with the other Diversifoods concepts: Chart House dinnerhouses, Luther's barbecue, Moxie's large hamburgers and Godfather's pizza. Thompson said, "Some may be divested within the year."

Although industry observers believe Godfather's will be sold, several analysts say Pillsbury will keep it and try to turn it around, since it was bought at such a small investment.

It has been reported that Burger King's chairman, Jeff Campbell, is interested in running a pizza chain.

Some analysts speculate that Godfather's will be sold to a franchisee, such as Alan McDowell's American Family Pizza, or the biggest licensee, Concept Development.

Chart House, a profitable 55-unit chain, may be kept for its cash flow and profits, sources said, or sold to top managers, such as John Creed, in a leveraged buyout. Creed, who has run Chart House for years, is now president and chief operating officer of Diversifoods.

Luther's, which is unprofitable, will likely be sold. Observers said the 68-unit chain has potential if new management operates it. Nine-unit Moxie's has not done well, either, and it could be converted to a Pillsbury concept.

Besides its Burger Kings and Muggs, Pillsbury operates 181 Steak and Ales, 170 Bennigan's and one Bay Street. Net restaurant sales last year were $1.9 billion, and operating profit was $187.4 million. The acquisition could mean total food-service sales of more than $2.7 billion this year.

Diversifoods reported $554 million in revenue and $18 million in profit last year. Profit was off 75%, to $1.3 million, in the first quarter this year. The company has been for sale since last fall.

According to some analysts and sources, many shareholders are losers in the Pillsbury acquisition. One stockholder, who requested anonymity, said the $11.50 bid was "a terrible blow." Many lost large sums of money on Diversifoods, whose stock once traded at more than $19 a share.

McD ignores competition

(Continued from page 1)

they dream mainly about how McD can further increase its market share lead.

"The Big 3 have all been growing [presumably in real comparative sales] steadily in total and individually for the last three years," Turner asserted. "Who can figure out exactly why? But it surely indicates that constant press reports of pending saturation are highly exaggerated."

Asked about talk of an industry shakeout, Turner emphasized "wide open spaces in all kinds of new locations are in the country" and that there are great opportunities overseas for McDonald's. "We're competing for future sites more with gas stations than we are with other fast feeders," he said.

An example of the intramural competition within McDonald's—without regard for the competition—occurred earlier when Den Fujita, head of McD's Japanese joint venture operation, and George Cohen, president of McDonald's of Canada, engaged in a lively debate over which country has the strongest McDonald's operations despite everyone "eating rice in Japan" and everyone "being an ice hockey fan in Canada."

(In a display of humor and sportsmanship, Turner called for a stockholders' vote to decide who had won the debate and diplomatically declared it a tie. Next, a Washington, D.C., McD regional executive spoke on a closed-circuit television hookup to publicly challenge the purported domestic supremacy of the Columbus, Ohio, area McDonald's units.)

Asked if McD has any plans similar to those of Burger King to reformulate the Big Mac or change it in any way, Turner said, "If we do it or don't do it, this is a strategic matter, and I can't deal openly and candidly with it for obvious reasons."

But he did praise Coca-Cola as always "knowing what it's doing strategically" and therefore apparently making a "smart" move in reformulating Coke. (Earlier, McDonald's U.S.A. president Edward Rensi told stockholders that "the new Coca-Cola is a first-rate product by vote of our consumers, and we're sticking with Coca-Cola.")

Turner said McD is testing some two-dozen items, including a variety of salads and a lettuce and tomato burger sandwich ("of which we've probably tried 23 different versions").

Asked what he thought of the so-called gourmet burger chains, such as Chili's, Fuddruckers and Flakey Jake's, Turner said that "there's always been a niche for them, whatever you want to call that segment. But it's not at McDonald's expense, as the whole market keeps getting bigger."

Turner gave no indication that McD has any plans to ever launch a "gourmet" burger or get into that segment of the business.

He earlier told the stockholders, among other things:

"We have 23,000 rest rooms in our over 8,000 restaurants. When we get every rest room totally clean, then maybe we'll look at some kind of diversification. Meanwhile, we're doing well over $10 billion sales on Big Macs, Chicken McNuggets and the like, and maybe we have the potential to do $20 billion business [by the early 1990's].

"My opinion of the saturation theory is that, as Ray Kroc said, 'saturation is strictly for sponges.' We'll open 275 to 300 new stores per year in the U.S. for the next 10 years and as many as 200 a year overseas."

McD has been able to back up Turner's repartee with 80 consecutive quarters of earning increases, steady if not sensational average per-unit sales rises (currently more than $1.3 million) and a 21% return on average equity.

Those are some of the impressive statistics. But the human and quality elements are exemplified domestically and overseas by McDonald's Japan's Fujita, who proudly told the thousands of stockholders assembled here and on closed circuit hookups: "I invite anyone to visit our restaurants and eat off the floor. It will be spotless every time."

C-stores push food

(Continued from page 4)

$92 million of the company's annual total but will jump to 15%, about $350 million, of the vastly expanded company he envisions for 1990.

Schwitalla pinpointed sandwiches, coffee and Mexican foods (especially nachos) as being Circle K's leading fast-food sellers. "We produce 100,000 sandwiches in our central commissary in Phoenix," he said, "and have a capacity to eventually produce 180,000 sandwiches for chainwide distribution."

"We are where McDonald's and Wendy's were when they started," he said, "and we will become a viable, strong food-service force in the nation and around the world. Customers greatly enjoy preparing fast food at their own pace the way they want it."

Circle K has introduced a special low-calorie fast-food line and is creating "the maximum in fast-food convenience," Schwitalla asserted.

Index posts 2nd straight gain as interest rates drop

NEW YORK — Amid record-breaking activity in the general stock market, the *Nation's Restaurant News* Food-Service Operators Stock Index for the week ended May 24 closed at a record high of 127.8, a gain of 3.4 points over the previous week's figure and a 9.1-point increase in two weeks.

The Federal Reserve Board's lowering of the discount rate to 7.5% and banks' lowering of prime interest rates to 10% resulted on May 20 in the Dow Jones Industrial Average closing above 1,300 for the first time. On May 21 there was a record close of 1,309.70. For the week ended May 24 the Dow finished at 1,301.97, a 16.63 point gain.

On *NRN*'s full, 111-issue listing of food-service and related stocks, 46 issues advanced in price and 40 declined, with 25 unchanged. Forty-three stocks traded at higher volume than the previous 12-week average, and 68 traded lower.

Diversifoods was the most active issue of the week.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Shoney's South M	319.5	Ogden Corp N	161.1
Calibre Cp M	269.0	RAX Restaurants M	154.7
Consul Restaurant M	198.4	Carrols Cp N	130.1
Concept Dev O	163.6	Old Fashion Fd M	114.6
Diversifoods M	161.2	Fast Food Oper O	106.8

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Calibre Cp M	27.3	Fast Food Oper O	10.0
RAX Restaurants M	22.6	Brock Hotel Cp N	9.1
Kapok Cp A	19.0	Consul Restaurant M	8.6
Maverick Rest O	18.5	TGI Friday's N	8.1
Concept Dev O	10.0	Marcus Corp M	7.6

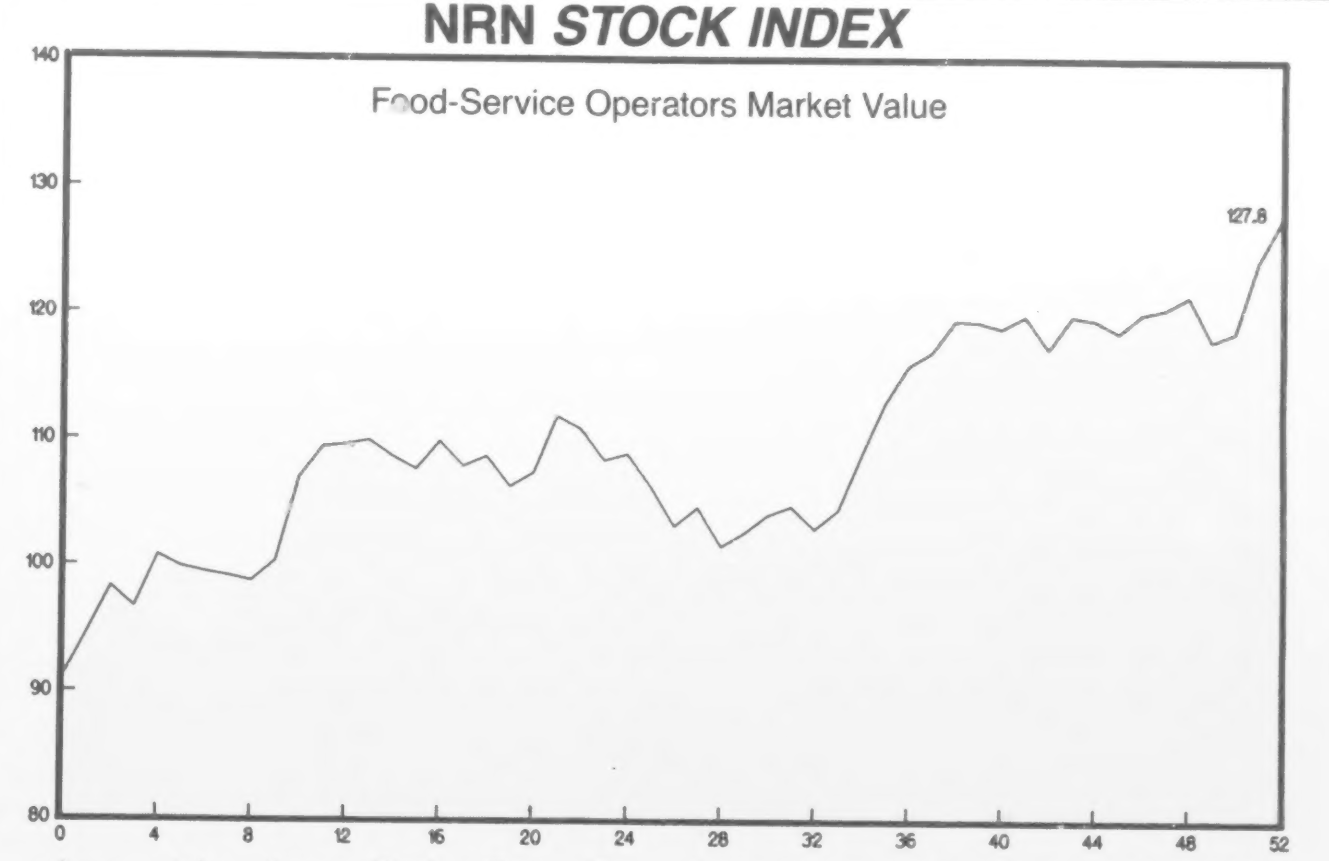
TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Good Taco M	- 16.7	Naugles Inc M	- 11.4
1 Potato 2 O	- 12.5	Old Fashion Fd M	- 10.0
Nankin Express O	- 12.5	Fuddruckers Inc M	- 9.7
Kelly-Johnston M	- 12.5	USACafes M	- 8.1
Taco Villa O	- 12.0	Ogden Corp N	- 7.3

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	5-24-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	5.88	.00	.0	5.88	5.63	7.13	3.50	256	.72	1.14	- 36.8	17.8	.00	.0	.....	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests M	4.88	.25	5.4	5.00	4.63	5.38	3.50	63	.25	.84	- 70.2	16.8	.00	.0	.....	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants O	4.25	.00	.0	4.50	4.25	6.00	2.38	25	.11	.33	- 66.7	32.7	.00	.0	.....	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts M	11.88	.00	.0	12.00	11.63	17.13	10.88	642	1.45	2.12	- 31.6	16.0	.12	1.0	.....	6 mos.	03-85	22.9	- 5.8	.7	- 36.4	.16	- 36.0	45.4	- 3.6	1.4	- 26.3	.32	- 25.6
Benihana Natl M	18.25	- 1.00	- 5.2	20.00	18.00	21.75	10.75	1,375	4.73	3.79	24.8	19.8	.00	.0	.....	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms M	20.50	.50	2.5	20.50	20.00	21.00	14.75	847	.52	1.03	- 49.5	19.0	.30	1.5	.....	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp M	1.75	.38	27.3	2.25	1.00	5.13	.63	470	1.55	.42	269.0	NE	.00	.0	.....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	12.25	.00	.0	12.50	12.13	13.25	7.25	778	1.72	2.39	- 28.0	18.0	.16	1.3	.....	fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab M	2.00	- .13	- 5.9	2.13	1.94	4.00	1.38	848	.55	2.14	- 74.3	NE	.00	.0	.....	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp N	8.63	- .25	- 2.8	9.25	8.63	11.50	7.88	1,307	1.68	.73	130.1	11.7	.07	.8	.....	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's M	10.63	.00	.0	11.25	10.50	18.25	9.38	8,259	3.06	2.92	4.8	16.9	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc M	27.13	.00	.0	27.13	26.88	28.88	12.75	656	1.41	2.72	- 48.2	35.2	.00	.0	.....	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch N	19.50	.25	1.3	20.25	19.38	20.25	11.38	5,035	1.34	1.25	7.2	16.8	.44	2.3	.....	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods N	22.25	1.00	4.7	22.38	21.38	23.00	11.44	945	.72	.85	- 15.3	16.9	.16	.7	.....	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev O	13.75	1.25	10.0	13.88	13.50	16.50	5.75	3,259	6.30	2.39	163.6	17.9	.00a	.0	.....	6 mos.	12-84	10.3	8.4	1.0	.0	.21	23.5	20.9	12.4	2.0	5.3	.42	23.5
Consol Prdts M	4.63	.00	.0	4.63	4.63	5.88	4.63	38	.12	.23	- 47.8	14.0	.08	1.7	.....	6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant M	4.75	.38	8.6	4.88	4.38	13.50	4.13	2,567	5.64	1.89	198.4	NE	.00	.0	.....	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel M	12.25	- .50	- 3.9	13.00	11.75	23.50	11.75	324	.91	1.20	- 24.2	14.8	.14	1.1	.....	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc O	4.50	- .25	- 5.3	5.25	4.50	5.75	2.75	49	.28	.41	- 31.7	34.6	.00	.0	.....	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods M	11.38	.63	5.8	11.38	10.88	15.63	8.00	82,505	24.47	9.37	161.2	27.7	.34	3.0	.....	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer M	12.13	.13	1.0	12.25	11.75	15.50	10.88	1,297	2.57	2.60	- 1.2	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts M	22.38	- .25	- 1.1	23.00	22.25	23.00	13.00	1,137	1.60	1.97	- 18.8	17.2	.24	1.1	.....	3 mos.	01-85	140.7	589.7	2.6	13.0	.36	16.1	140.7	589.7	2.6	13.0	.36	16.1
El Chico M	10.13	.00	.0	10.13	10.00	10.88	7.25	1,155	2.48	1.57	58.0	13.0	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest N	16.13	.13	.8	16.63	16.00	16.63	9.75	646	.58	.52	11.5	15.8	.00	.0	.....	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper O	.69	.06	10.0	0.75	0.69	1.63	.63	537	.91	.44	106.8	22.9	.00	.0	.....	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes M	6.63	- .38	- 5.4	7.25	6.50	9.13	5.13	1,582	2.28	2.18	4.6	NE	.00	.0	.....	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest O	2.50	.00	.0	3.50	2.50	7.38	2.50	3	.02	.22	- 90.9	NE	.00	.0	.....	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	- 100.0
Fresher Cooker O	1.88	- .13	- 6.3	2.13	1.88	6.75	1.50	29	.13	.73	- 82.2	NE	.00	.0	.....	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's A	25.38	.50	2.0	25.50	24.63	25.50	12.81	71	.16	.22	- 27.3	21.5	.22	.9	.....	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc M	7.00	- .75	- 9.7	7.38	6.88	15.13	6.38	2,114	3.25	4.65	- 30.1	NM	.00	.0	.....	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot M	2.75	.06	2.3	2.75	2.50	6.38	1.63	715	1.19	1.74	- 31.6	NE	.00	.0		fiscal	12-84	10.7	25.9	(1.4)	NE	(.25)	NE	52.7	45.6	(1.9)	NE	(.33)	NE
Good Taco M	.63	- .13	- 16.7	0.81	0.63	3.38	.25	584	1.97	2.61	- 24.5	NE	.00	.0	.....	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet O	15.25	.00	.0	16.00	15.25	15.25	9.75	16	.22	.19	15.8	8.2	.00	.0	.....	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger O	5.00	.00	.0	5.13	4.88	6.50	3.63	110	.38	1.77	- 78.5	NE	.00	.0		6 mos.	02-85	14.5	- 8.8	(.4)	- 100.0	(.12)	- 100.0	28.9	- 6.8	(.5)	- 100.0	(.16)	- 100.0
Intl Dairy Queen O	50.00	- .50	- 1.0	52.50	50.00	50.50	39.00	15	.08	.19	- 57.9	13.7	.00	.0	.....	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab M	20.00	.00	.0	20.00	19.75	24.75	13.41	329	1.15	3.26	- 64.7	14.9	.00a	.0	.....	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest M	13.13	- 1.00	- 7.1	14.13	12.63	15.50	7.34	1,614	4.61	2.99	54.2	16.4	.16	1.2	.....	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc M	21.50	1.38	6.8	22.00	20.00	21.50	13.50	6,188	3.92	4.29	- 8.6	15.8	.12	.6		9 mos.	03-85	122.3	.2	4.3	- 4.4	.27	- 6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp A	3.13	.50	19.0	3.13	2.63	3.88	1.13	494	2.20	1.12	96.4	4.9	.00	.0	.....	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	17.75	1.00	6.0	18.00	16.63	29.63	13.50	1,599	2.27	1.54	47.4	10.6	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston M	.44	- .06	- 12.5	0.50	0.38	5.13	.25	1,828	2.14	2.87	- 25.4	NE	.00	.0	.....	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest A	2.25	.13	5.9	2.25	2.13	3.75	1.75	131	.23	.51	- 54.9	NE	.00	.0	.....	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe N	31.13	1.38	4.6	32.50	30.50	32.50	23.63	521	.43	.70	- 38.6	20.5	.54	1.7	.....	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp M	17.75	1.25	7.6	18.00	16.50	17.75	12.00	391	.77	.64	20.3	11.5	.28	1.6	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	90.00	.75	.8	91.00	89.38	91.00	60.25	1,168	.45	.59	- 23.7	16.7	.54	.6	.....	3 mos.	03-85	874.2	17.5	27.7	20.4	1.04	25.3	874.2	17.5	27.7	20.4	1.04	25.3
Maverick Rest O	4.00	.63	18.5	4.25	3.38	6.25	2.25	300	.60	.42	42.9	50.0	.00	.0	.....	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max & Erma's O	3.38	.13	3.8	3.75	3.25	4.75	2.50	42	.23	.31	- 25.8	NE	.00	.0	.....	3 mos.	01-85	4.8	9.1	.1	NE	.03	NE	4.8	9.1	.1	NE	.03	NE
McDonald's Cp N	67.00	3.00	4.7	67.38	64.25	67.38	40.84	13,679	1.59	1.02	55.9	15.3	.82	1.2	.....	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures M	10.38	- .25	- 2.4	10.38	10.25	12.25	9.63	187	.38	.69	- 44.9	15.3	.00	.0	.....	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc M	19.63	- .13	- .6	19.88	19.63	20.25	13.25	1,498	1.13	1.62	- 30.2	13.1	.48	2.4	.....	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak O	2.38	.13	5.6	2.50	2.38	3.13	1.13	632	1.32	1.02	29.4	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express O	.88	- .13	- 12.5	1.13	0.88	2.50	.88	113	.50	.89	- 43.8	NE	.00	.0	.....	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans M	3.63	.25	7.4	3.63	3.38	4.50	1.78	137	.61	.87	- 29.9	14.5	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza M	9.25	.50	5.7	9.25	8.75	9.75	7.50	138	.25	.55	- 54.5	13.2	.00	.0		fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc M	4.88	- .63	- 11.4	5.25	4.88	10.13	4.63	822	1.84	3.15	- 41.6	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
Noble Roman O	16.50	.00	.0	17.00	16.50	17.00	11.88	62	1.03	.71	45.1	26.6	.00	.0	.....	fiscal	12-84	4.4	51.7	.0	- 100.0	.06	- 60.0	17.8	53.4	.1	- 66.7	.24	- 61.3
1 Potato 2 O	1.75	- .25	- 12.5	2.00	1.75	11.50	1.25	170	.78	.82	- 4.9	35.0	.00	.0	.....	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC
Old Fashion Fd M	4.50	- .50	- 10.0	4.63	4.50	6.25	4.00	123	.88	.41	114.6	9.6	.00	.0	.....	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet M	8.00	.00	.0	8.38	7.88	8.38	6.00	1,249	3.36	4.39	- 23.5	14.5	.13	1.6	.....	6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants M	.31	.00	.0	0.31	0.25	2.50	.25	992	1.15	2.04	- 43.6	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	23.25	.88	3.9	23.25	22.13	24.25	16.50	639	1.06	1.33	- 20.3	14.7	.60	2.6	.....	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4
Pizza Inn A	7.88	- .38	- 4.5	8.38	7.75	12.75	6.88	296	.87	.89	- 2.2	26.3	.08	1.0		3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6

FINANCIAL NEWS

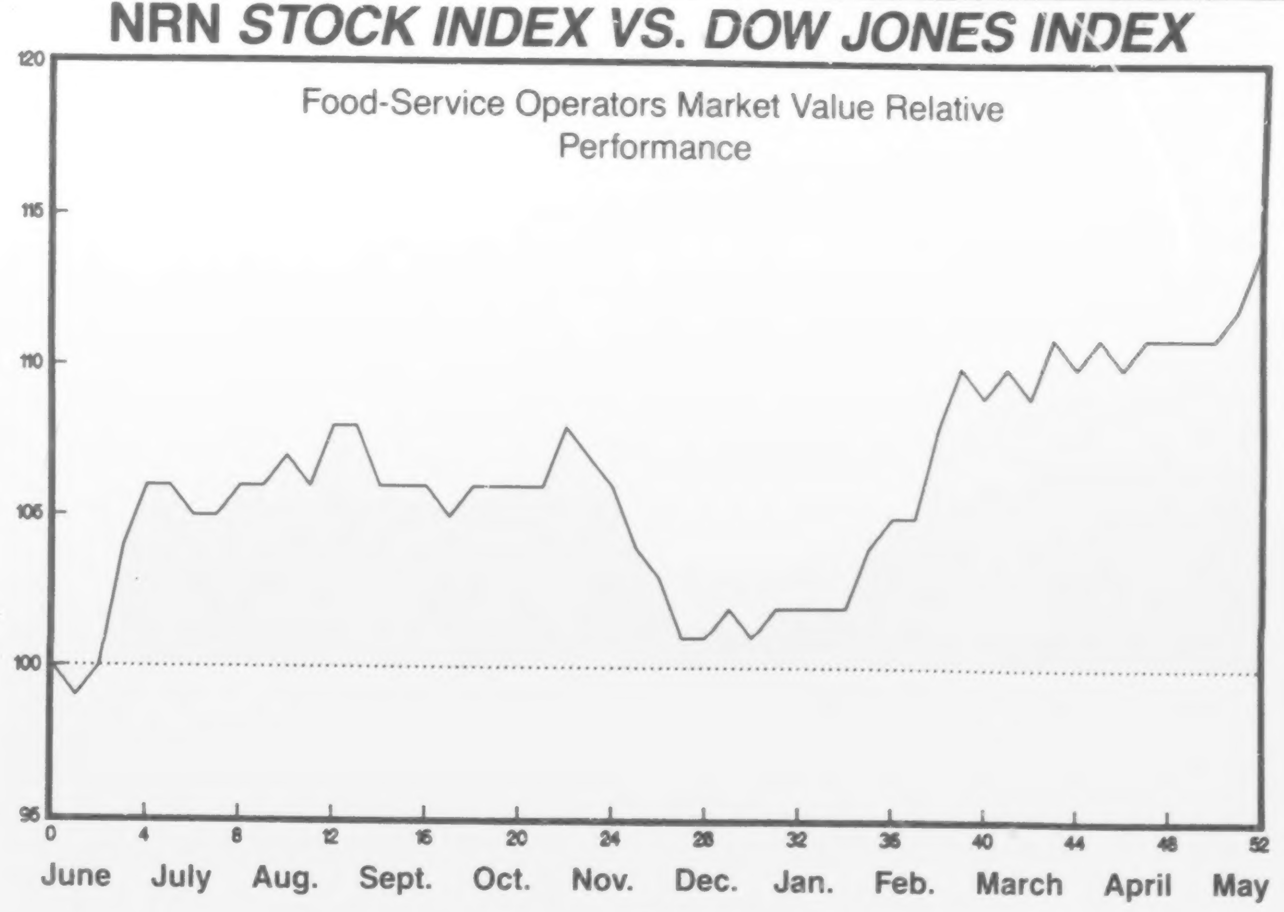
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



Company and Market	Stock Market											Financial Update																	
	Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	5-24-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
		Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Po-Folks ..... M	10.50	.00	.0	10.63	10.25	16.63	8.75	157	.36	.68	- 47.1	15.0	.00	.0	.....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys ..... N	12.38	.50	4.2	12.38	12.00	21.63	11.25	1,475	1.53	1.99	- 23.1	13.5	.40	3.2	.....	fiscal	02-85	132.6	- 5.4	(3.1)	- 100.0	(.36)	- 100.0	499.4	19.5	8.4	- 30.6	.92	- 39.1
Primo Inc ..... O	2.38	.00	.0	2.63	2.38	4.63	2.25	191	.57	.66	- 13.6	NE	.00	.0		6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants ..... M	9.50	1.75	22.6	9.75	8.00	16.38	7.75	1,291	1.91	.75	154.7	23.2	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc ..... A	7.88	.13	1.6	8.00	7.38	8.88	5.38	141	.50	.51	- 2.0	14.3	.00	.0	.....	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Rest Systems ..... M	13.75	.25	1.9	14.25	13.50	16.50	9.00	355	1.53	1.10	39.1	15.1	.00	.0	.....	3 mos.	03-85	11.0	5.8	.5	.0	.23	9.5	11.0	5.8	.5	.0	.23	9.5
Ritzys G D ..... M	2.63	.13	5.0	2.75	2.38	7.00	1.75	542	1.05	.78	34.6	NE	.00	.0	.....	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican ..... M	16.88	.00	.0	17.13	16.88	18.25	11.00	104	.37	.88	- 58.0	22.8	.00	.0	.....	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryans Fam Steak ..... M	19.25	.50	2.7	19.25	18.50	19.25	11.25	1,053	1.52	1.56	- 2.6	35.0	.00	.0	.....	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp ..... N	27.13	- .38	- 1.4	28.25	27.13	35.50	24.50	1,478	1.13	1.32	- 14.4	10.9	.52	1.9	.....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef ..... O	6.88	- .13	- 1.8	7.38	6.88	9.00	6.75	81	.64	.65	- 1.5	12.1	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley ..... M	9.13	- .13	- 1.4	9.50	9.00	11.00	6.50	838	2.30	4.02	- 42.8	4.2	.00	.0	.....	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc ..... M	31.75	.50	1.6	31.88	31.13	31.88	16.22	2,808	.99	1.16	- 14.7	27.9	.15	.5	.....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South ..... M	13.38	- .50	- 3.6	13.88	13.25	16.59	11.41	2,780	4.95	1.18	319.5	10.7	.00	.0	.....	fiscal	12-84	40.9	23.9	1.5	50.0	.25	38.9	167.1	18.0	7.3	49.0	1.25	22.5
SIS Cp ..... O	4.00	- .13	- 3.0	4.50	4.00	7.00	3.25	52	.34	.41	- 17.1	NE	.00	.0	.....	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl ..... M	23.50	.00	.0	24.00	23.25	24.00	11.50	448	.65	.95	- 31.6	16.9	.00	.0	.....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers ..... M	10.38	- 13	- 1.2	10.75	10.25	12.50	8.00	356	1.30	1.63	- 20.2	11.5	.06	.6	.....	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality ..... M	5.13	- .25	- 4.7	5.38	5.00	5.88	3.75	941	1.89	2.30	- 17.8	14.6	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face ..... O	.81	.00	.0	0.94	0.81	1.44	.59	625	.41	.79	- 48.1	81.3	.00	.0	.....	fiscal	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc ..... O	2.00	.00	.0	2.25	2.00	3.63	1.88	49	.15	.51	- 70.6	NE	.00	.0	.....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa ..... O	5.50	- .75	- 12.0	6.25	5.50	7.75	4.75	77	.20	.27	- 25.9	18.3	.00	.0	.....	fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva ..... M	6.50	.00	.0	6.88	6.38	7.50	4.66	597	1.74	1.10	58.2	19.1	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's ..... N	11.63	.88	8.1	11.75	10.75	13.13	7.88	344	.30	.49	- 38.8	17.4	.00	.0	.....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas ..... O	2.25	.00	.0	2.50	2.25	3.75	2.25	6	.04	.05	- 20.0	NE	.00	.0	.....	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
Transworld ..... N	35.25	- .13	- .4	35.75	34.13	37.63	24.50	5,605	1.57	1.78	- 11.8	11.5	.48	1.4	.....	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes ..... M	4.25	- .38	- 8.1	4.50	4.00	5.75	2.75	1,126	1.79	2.39	- 25.1	12.1	.28	6.6	.....	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants ..... M	27.25	- .75	- 2.7	28.00	26.50	28.00	13.25	5,768	8.67	6.11	41.9	20.5	.12	.4	.....	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations ..... M	3.00	- .13	- 4.0	3.25	2.88	7.38	2.13	1,343	3.79	2.74	38.3	NE	.00	.0	.....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl ..... N	17.88	1.13	6.7	17.88	16.75	17.88	10.78	20,406	2.78	1.53	81.7	18.6	.21	1.2	.....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer ..... M	9.50	.50	5.6	9.75	9.00	12.00	9.00	47	.39	.36	8.3	16.7	.20	2.1	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp ..... N	7.13	.13	1.8	7.25	7.00	13.38	5.13	287	.64	1.67	- 61.7	50.9	.00	.0	.....	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp ..... N	3.00	.25	9.1	3.00	2.75	5.63	1.88	1,899	1.44	.94	53.2	NE	.10	3.3	.....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels ..... N	66.88	- .75	- 1.1	68.00	66.25	73.50	45.50	2,074	.84	2.53	- 66.8	14.7	1.80	2.7	.....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns ..... N	56.75	1.88	3.4	56.75	55.13	56.75	35.25	2,730	.95	2.15	- 55.8	14.3	1.00	1.8	.....	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn ..... N	28.75	- 1.00	- 3.4	30.00	28.00	30.00	13.50	2,089	1.08	.94	14.9	25.4	.09	.3	.....	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns ..... N	6.88	.00	.0	7.13	6.50	8.25	5.13	5,507	1.48	1.87	- 20.9	52.9	.00	.0	.....	fiscal	12-84	151.7	13.0	(2.1)	- 100.0	(.05)	- 100.0	598.1	4.6	4.7	11.9	.13	.0
Servico Inc ..... M	20.88	- .88	- 4.0	21.75	20.50	22.28	13.88	290	.83	.58	43.1	13.2	.00a	.0		3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl ..... O	23.50	- .75	- 3.1	25.00	23.50	27.00	18.00	2	.01	.11	- 90.9	6.9	.40	1.7	.....	fiscal	12-84	17.7	- 1.1	5.9	NE	3.83	NE	74.9	2.0	5.3	211.8	3.42	235.3
Other Companies with Food-Service Operations																													
Allegheny Bev ..... M	20.75	.88	4.4	20.75	19.75	22.63	13.75	2,035	3.38	2.76	22.5	20.5	.40	1.9		9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut ..... N	8.25	- .13	- 1.5	8.63	8.25	11.75	7.25	155	.33	1.38	- 76.1	NM	.48	5.8	.....	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt ..... N	83.00	1.25	1.5	84.25	82.00	84.25	45.25	6,935	2.10	1.40	50.0	57.6	1.20	1.4	.....	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods ..... O	1.88	.00	.0	2.13	1.88	2.88	1.13	316	1.35	.83	62.7	20.8	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills ..... N	58.13	1.13	2.0	58.25	56.50	60.63	47.75	9,759	2.20	1.80	22.2	34.4	2.24	3.9	.....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R ..... N	41.25	- .13	- .3	41.75	40.63	44.50	36.88	3,020	.62	.95	- 34.7	10.9	2.80	6.8	.....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart ..... A	10.38	- .13	- 1.2	10.88	10.38	16.44	8.63	1,822	1.47	1.43	2.8	14.6	.00a	.0	.....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp ..... N	28.75	- 2.25	- 7.3	30.63	28.00	31.88	24.13	4,481	2.35	.90	161.1	13.9	1.80	6.3	.....	3 mos.	03-85	574.3	8.6	12.0	2.6	.63	3.3	574.3	8.6	12.0	2.6	.63	3.3
PepsiCo Inc ..... N	57.00	3.13	5.8	57.00	54.88	57.00	39.63	19,370	2.02	1.99	1.5	14.9	1.78	3.1	.....	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co ..... N	50.38	1.13	2.3	50.50	48.75	50.50	34.50	3,826	.88	.75	17.3	11.4	1.56	3.1	.....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France ..... M	10.00	.25	2.6	10.00	9.50	15.25	9.50	1,049	.97	.90	7.8	16.9	.23	2.3	.....	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

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C5150-5

Chains put more muscle into training programs
—Focus F3

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—Page 36

Nation's
Restaurant News®

The Weekly Newspaper of the Food-Service Industry

Vol. 19, No. 24 | **Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year** | **June 10, 1985**

Restaurant execs attack tax plan

But lowered rates will benefit many

By Peter Romeo

WASHINGTON — Restaurant industry leaders are mustering an attack on President Reagan's tax revision proposal because of the plan's $25 cap on business meal deductions.

The cap would "devastate our industry," cutting restaurant revenues by millions of dollars and eliminating up to 100,000 jobs, warned Ted Balestreri, president of the National Restaurant Association.

Yet tax experts and many operators are defending the White House plan because of other proposals that promise to cut the average food-service company's tax payments.

"Undoubtedly some players, especially white tablecloth places, will be hurt by the plan. [But] in the balance, I think it's going to be beneficial for the

*(See **TAX**, page 47)*

TAX PROPOSALS AFFECTING FOOD SERVICE

Cap on business meal deductions of $25 for all meals plus a 50% deduction on amounts exceeding the lid.

Tax rate ceiling of 33%, from a graduated scale of up to 46%.

Special tax rates for small businesses of 15% on the first $25,000 of taxable income, 18% on income between $25,000 and $50,000 and 25% on income between $50,000 and $75,000.

Loss of write-offs for investments previously covered under investment tax credit.

No renewal of Targeted Jobs Tax Credits provision, which expires this year.

Tax on old investments made between Jan. 1, 1980, and July 1, 1986; 12% of the difference between the depreciation write-offs already made and straight-line depreciation would be included in taxable income.

Cap on business travel deductions, expected to be about double the travel ceiling for Government employees.

Reagan

Sales lag worsens

Consumers cut their spending

By Rick Telberg

Pinched by narrowing pay raises and burdened by debt, American consumers continue to rein in their expenditures, offering little relief to restaurateurs who have struggled against sagging sales for a year or more.

"The consumer is looking for a deal, not a meal," cracked John Stefanelli, a specialist in small-restaurant operations at the University of Nevada at Las Vegas.

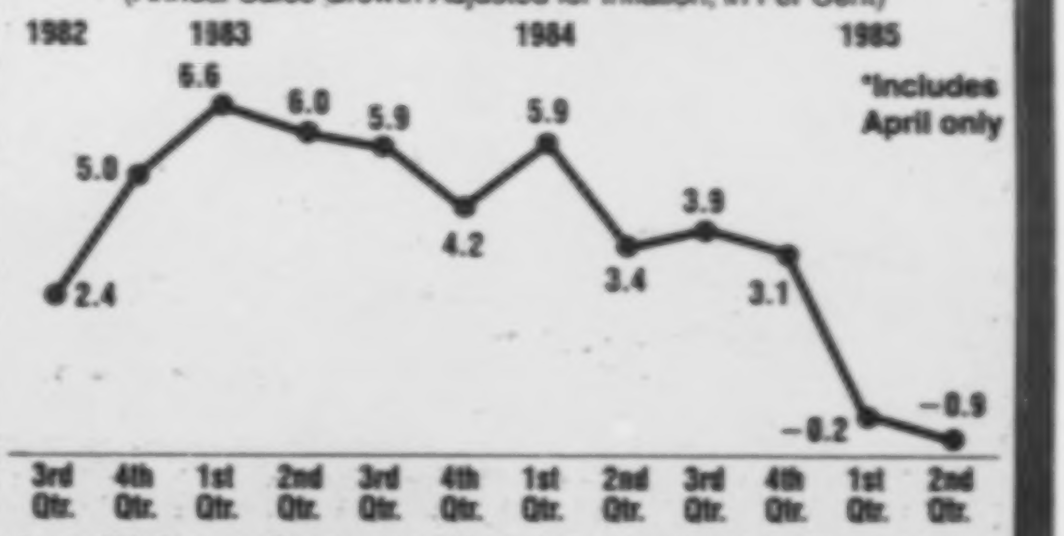
Many operators echoed the sentiment of Dennis Reeve, chief financial officer at Shoney's South in Memphis, when he said with a sigh, "I have no idea how long it will last."

Business economists, who are downgrading their forecasts with alarming rapidity, suggest the restaurant industry's problems may momentarily ease later this year with loosened interest rates. But overall, an increasing number

*(See **SALES**, page 4)*

'REAL' SALES TURN SOFT

(Annual Sales Growth Adjusted for Inflation, in Per Cent)



Source: U.S. Commerce Department monthly retail sales report; U.S. Labor Department Consumer Price Index for Food Away from Home

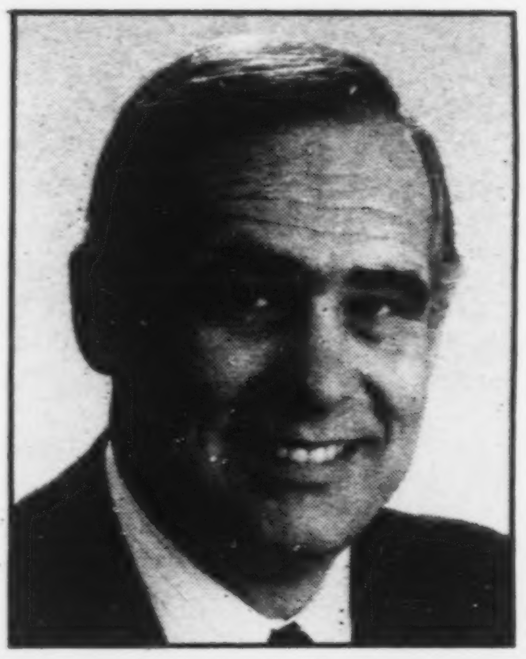
After 10 consecutive quarters of inflation-adjusted, or "real," sales growth, the nation's food-service outlets have suffered mostly negative comparisons so far this year.

S&L official blasts loans to restaurants

By D. M. Levine

WASHINGTON — The chairman of the Federal Home Loan Bank Board, concerned about the financially troubled savings and loan industry, is warning executives of the nation's state-chartered thrift institutions to stop making loans to businesses deemed risky, including restaurants.

The warning was embodied in a little-noticed speech made last March by Edwin Gray, chairman of the board, which regulates the savings and loan associations. Gray said the thrifts should not make investments in "oil-drilling operations, fast-food restaurants, wind farms and all manner of other endeavors which are not remotely related to housing finance or housing-related activities."



Edwin J. Gray

Disclosure of the talk by Gray comes in the wake of a new study by the Robert

*(See **GRAY**, page 12)*

INSIDE *NRN*

NRA SHOW COVERAGE

Restaurateurs, experts demystify wine tasting 4
15th annual culinary arts salon draws crowds 19
Grace blasts plan to cap meal deductions 20
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Operators air views about restaurant critics 32

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00063160
MS. JEANNE LONG
CONGRESSIONAL INFO. SERV 1JA
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

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Ice cream segment rebounds

Premium product attracts more upscale customers

By Howard Riell

NEW YORK — After almost two decades of flat or declining sales, the ice cream segment is coming back, hitched to the wagon of a high-butterfat, low-air "superpremium" product that appeals to a decidedly more upscale customer base.

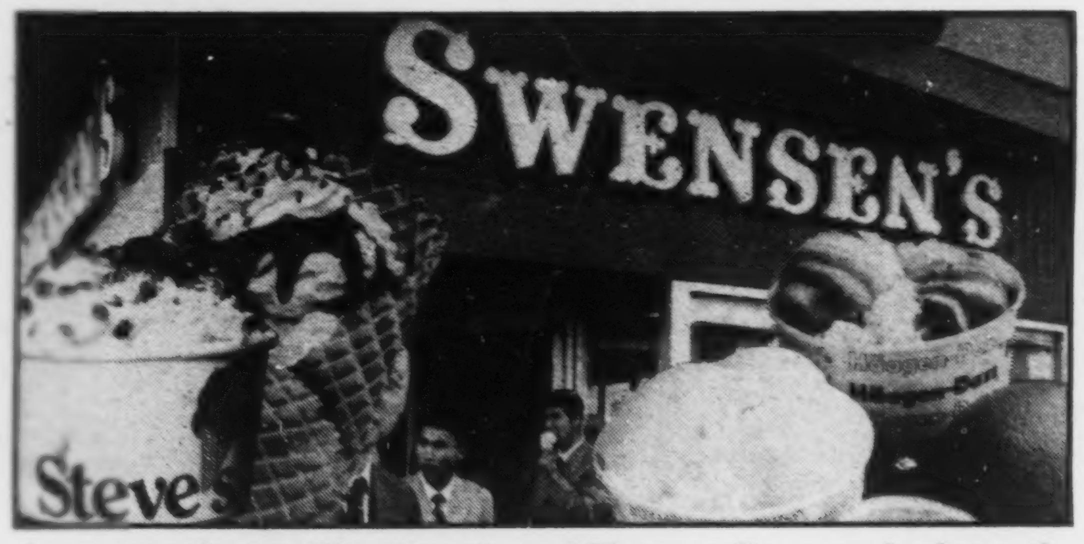
With chains like Häagen-Dazs, Steve's and Frusen Gladjé building their reputations on just such upscale perceptions, others, like Dairy Queen, Friendly, Swensen's and Tastee Freez, have joined in, seeking their own slice of what insiders call the segment's hottest growth area.

"It's a real kick," noted Steve's Jonathan Breiter, "watching people getting into limos, carrying Steve's cups."

Still others, however, remain unconvinced and unimpressed.

David Lasky, president of Bresler's 33 Flavors, called the upscaling of the ice cream segment "a lot of good public relations, a lot of good hype."

*(See **ICE CREAM**, page 47)*



As newer chains like Steve's and Häagen Dazs make inroads into the upscale ice cream segment, others, like Swensen's, are working to upgrade their images as well.

Red Lobster launches new advertising salvo

Campaign stresses revitalization program

Red Lobster

Red Lobster will tread new waters in an ad campaign designed to promote a new image. They've dropped their well-known "seafood lover" theme.

By Mark Schoifet

ORLANDO, Fla. — Red Lobster, seeking to expand its appeal, is dropping its long-running "For the seafood lover in you" advertising theme in favor of a campaign that stresses variety, freshness, service and ambience.

New network television spots—which tell viewers that "there's never been a better time for seafood" and "there's never been a better place"—are scheduled to break next week. Radio and print advertising, including a run in *People* magazine, will supplement the TV campaign.

"Americans have been in the process of upgrading their restaurant choices, demanding more from the restaurant environment itself," said Ray Caruso, vice president of marketing for the 365-unit Red Lobster chain. "While 'Seafood Lover' was successful in communicating great taste, our new campaign builds on this theme by promising more ways to enjoy great seafood more often. Our strategy is to communicate that guests can visit and enjoy Red Lobster for more dining occasions."

The new campaign, designed by Backer and Spielvogel in New York, is intended to support Red Lobster's current systemwide revitaliza-

(See **RED LOBSTER**, page 13)

Wine Classic competition changes judging procedure

By Richard Martin

CHICAGO — An integrated team of restaurateurs and wine critics at the National Restaurant Association Show uncorked a "demystified" new breed of wine competition that may spark a shift in priorities at other such medal-bestowing wine events, judges predicted.

By pairing as judges an equal number of wine authorities *and* wine-savvy restaurant operators and by narrowing the field of contending wines to only two popular varieties from United States producers, organizers of the first annual NRA Wine Classic pioneered a style of competition that tends to favor the tastebuds of restaurant wine customers.

The unusual element of audience participation also differentiated the event, which was the NRA's first national wine competition and the first ever held in Chicago. Nearly 3,000 show visitors who watched the two-day-long series of tastings through glass partitions at McCormick Place also had a chance to sample many of the same wines being judged. Onlookers were further edified by touch-screen computer displays and printouts that described the individual wines that were being evaluated in the adjacent tasting salon.

NRA president Ted Balestreri pronounced the Wine Classic "an incredible success," which "accomplished more than we anticipated in its pioneering year." Balestreri, who conceived the event, then unveiled a roster of 25 medal-winning Chardonnays and pinot noirs at a show-capping luncheon on May 22.

Heading the list of winning wines culled from 269 entries were a "Best of Show" Chardonnay made in Illinois from California grapes and a "Best of Show" pinot noir from Hollister, Calif.

However, before the winning wines were identified and before Balestreri dubbed the Wine Classic an unqualified success, some members of the blue-ribbon panel of 32 judges voiced reservations about the judging methodology. Others found fault with wine competitions in general. Most, howev-

(See **WINE**, page 14)

ROBERT ROSELLINI

MORT HOCHSTEIN

Restaurateur Robert Rosellini, above, and wine columnist Mort Hochstein were among the judges at the NRA Wine Classic competition.

NRA WINE CLASSIC MEDAL WINNERS

Gold Medal Chardonnays
1983 Lynford Private Reserve, Roselle, Ill. (Best of Show)
1983 Acacia, Lake Vineyard, Napa, Calif.
1983 Kendall-Jackson Proprietor's Reserve, Lakeport, Calif.
1983 Folie à Deux, Napa Valley, Calif.
1980 Rutherford Hill, Jaeger Vineyard, St. Helena, Calif.
1982 Chappellet, Napa Valley, Calif.

Gold Medal Pinot Noirs
1982 Calera, Jensen Pinot Noir, Hollister, Calif. (Best of Show)
1981 ZD Pinot Noir, Napa Valley-Carneros, Calif.

Silver Medal Chardonnays
1983 Louis Facelli, Idaho.
1983 Raymond, Napa Valley, Calif.
1983 Flora Springs, Napa Valley, Calif.
1983 Franciscan, Alexander Valley, Calif.
1983 Domain San Martin, San Luis Obispo, Calif.
1983 Clos du Bois, Flintwood Vineyard, Dry Creek Valley, Calif.

Silver Medal Pinot Noirs
1981 Mondavi Reserve, Napa Valley, Calif.
1981 Roudon-Smith Vineyards, Edna Valley, Calif.
1980 Frick, Monterey County, Calif.

Bronze Medal Chardonnays
1983 William Baccala Estate, Mendocino, Calif.
1983 Alpine Vineyards, Willamette Valley, Ore.
1982 Franciscan Vineyards Reserve, Oakville Vineyards, Napa Valley, Calif.

Bronze Medal Pinot Noirs
1980 HMR Estate Reserve, Paso Robles, Calif.
1983 Saintsbury, Carneros, Napa Valley, Calif.
1982 Montali Proprietors' Series, Santa Maria Valley, Calif.
1980 Clos du Bois Proprietors' Reserve, Dry Creek Valley, Calif.
1983 Whitehall Lane Fleur d'Helene Napa Valley Red Table Wine.

Sales lag worsens as spending drops

(*Continued from page 1*)

of forecasters see a 1986 recession.

Eating-and-drinking-place sales, as tracked by the Government and adjusted for inflation, halted two and a half years of steady gains in recent months and occasionally dipped into the red.

"We're in a phase of consolidation," said Bucky Kilbourne, chief financial officer at Church's Fried Chicken of San Antonio, Tex., "in which the bigger companies, which can market well, will do well. And the smaller companies, which can't, will get beat up pretty hard."

"The larger chains do seem to be doing better than the smaller, newer ones," agreed Carl DiBiase of Restaurant Trends Inc., in Middletown, N.J., which tracks sales trends through telephone surveys to thousands of restaurants every month.

"The fact is that consumers' income growth is half what it was at the height of the recovery," noted Sandra Shaber, director of consumer economics at Chase Econometrics in Bala Cynwyd, Pa.

The result, she said, was a price-sensitive consumer, lured increasingly by promotions, with a tendency to shun higher-priced restaurants if he dines out at all.

"It's cause for concern for the entire industry," said Marvin Spencer, chief financial officer at Noble Roman's Inc., a 120-unit pizza chain based in Bloomington, Ind.

Robert Eggert, an economist and publisher of Phoenix-based Blue Chip newsletter, which polls 50 top economists each month, noted that forecasters in the last three months had downgraded their 1985 estimate of the nation's real gross national product from 3.9% to 3.2%.

"It's one of the sharpest decreases we've ever had," Eggert said, adding that it stemmed from a bare 0.7% real GNP gain in the year's first quarter.

Estimates of disposable personal income growth, Eggert said, had similarly fallen. Last year consumers' spending money grew a record 6.7%.

"I suspect restaurant people are feeling that difference," Eggert said, "and the higher-end restaurants are feeling it more."

The National Restaurant Association in Washington has reported that midscale traffic counts slipped 4.1% last winter, while upscale restaurants eked out a 0.7% gain and fast-food outlets enjoyed one of 3.7%.

Lunch and dinner counts sagged, but breakfast business jumped, the trade association said.

Samuel Arnold to head Centre Brands, Fred's

By Charles Bernstein

FORT WAYNE, Ind. — Samuel Arnold has been promoted to president of Central Soya's newly merged frozen foods division, comprised of Fred's Frozen Foods here and Centre Brands (formerly Butcher Boy Food Products) in Riverside, Calif.

Arnold, 47, had been Fred's president since 1982. He previously was marketing director of Green Giant's food-service division.

John Patten, current chairman of the Chicago-based International Foodservice Manufacturers Association (IFMA), now is executive vice president of Centre Brands.

Samuel Arnold

In a move unrelated to Central Soya's having merged Fred's Frozen Foods and Centre Brands into one division, Central Soya is in the process of being acquired by Shamrock Acquisition Inc.

Index up 2.1 to 129.9, third week of record gains

NEW YORK — Keeping pace with general market indexes, the *Nation's Restaurant News* Food-Service Operators Index registered its third consecutive weekly record closing, for the week ended May 31, at 129.9, a 2.1 point gain.

The Dow Jones Industrial Average closed 9.63 points higher in the week, at 1,315.41, also a record. Analysts said the possibility of lower interest rates and oil prices fueled the gains.

Despite record indexes, many food-service and related stocks underperformed during the week. Price gainers were outnumbered by losers, 42 to 34, with 35 unchanged in price. Issues trading at lower volume than the previous 12-week average far outpaced the more active issues, 78 to 31, with two unchanged.

JB's Restaurants had the third-highest relative change in volume trend, with 297,800 shares trading.

Issues that closed the week at 52-week highs were Marcus Corp., up 50¢, to $18.25, and Prime Motor Inns, up $1.63, to $30.38.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Ponderosa Sys ... N	279.3	Disney, Walt ... N	86.4
Hambrg Hamlet ... O	264.3	Primo Inc ... O	85.3
JB's Rest ... M	165.1	Cracker Barrel ... M	84.3
Kapok Cp ... A	150.4	Rest Assoc ... A	83.0
Transworld ... N	135.9	Good Taco ... M	77.9

TOP TEN GAINERS

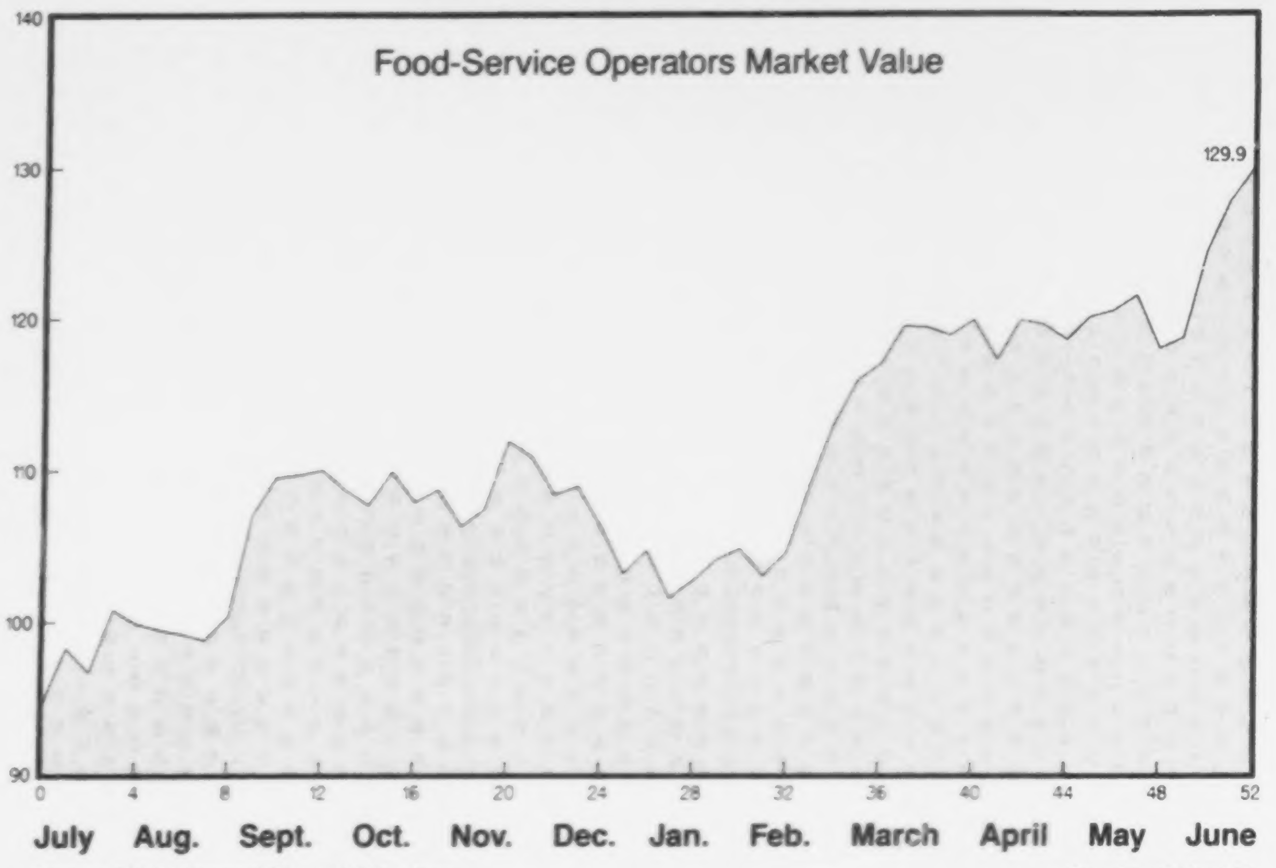
Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Good Taco ... M	40.0	Calibre Cp ... M	7.1
SIS Cp ... M	12.5	Esteban Foods ... O	6.7
Transworld ... N	8.5	Prime Mtr Inn ... N	5.7
El Torito Rest ... N	8.5	Wendys Intl ... N	5.6
Pillsbury Co ... N	8.4	Acapulco Rests ... M	5.1

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Kelly-Johnston ... M	- 28.6	Ponderosa Sys ... N	- 8.1
Peo Restaurants ... M	- 20.0	Consol Prdts ... O	- 8.1
Primo Inc ... O	- 15.8	DLites Of Amer ... M	- 6.2
Swensens Inc ... O	- 12.5	Taco Viva ... M	- 5.8
Karcher Carl ... M	- 8.5	Winners Cp ... N	- 5.3

	Stock Market											Financial Update																	
	Price							Volume																					
													Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	5-31-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ... M	5.88	.00	.0	5.88	5.63	7.13	3.50	44	.12	1.05	- 88.6	17.8	.00	.0	.....	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests ... M	5.13	.25	5.1	5.13	4.88	5.38	3.50	98	.40	.82	- 51.2	17.7	.00	.0	.....	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants ... O	4.25	.00	.0	4.50	4.25	6.00	2.38	25	.11	.32	- 65.6	32.7	.00	.0	.....	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts ... M	11.38	- .50	- 4.2	11.88	11.38	17.13	10.88	325	.73	1.97	- 62.9	15.4	.12	1.1	.....	6 mos.	03-85	22.9	- 5.8	.7	- 36.4	.16	- 36.0	45.4	- 3.6	1.4	- 26.3	.32	- 25.6
Benihana Natl ... M	18.13	- .13	- .7	18.13	17.50	21.75	10.75	990	3.40	3.18	6.9	19.7	.00	.0	.....	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms ... M	20.63	.13	.6	20.75	20.25	21.00	14.75	627	.39	.69	- 43.5	19.1	.30	1.5	.....	9 mos.	01-85	58.9	14.6	4.7	20.5	.29	20.8	171.0	13.8	13.7	12.3	.84	13.5
Calibre Cp ... M	1.88	.13	7.1	2.00	1.88	5.13	.63	85	.28	.41	- 31.7	NE	.00	.0	.....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ... M	11.75	- .50	- 4.1	12.25	11.50	13.25	7.50	1,044	2.31	2.34	- 1.3	17.3	.16	1.4	.....	fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab ... M	1.94	- .06	- 3.1	2.06	1.88	4.00	1.38	1,343	.88	2.08	- 57.7	NE	.00	.0	.....	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp ... N	8.50	- .13	- 1.4	8.88	8.50	11.50	7.88	462	.59	.73	- 19.2	11.5	.07	.8	.....	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chi-Chi's ... M	10.63	.00	.0	10.75	10.38	18.25	9.38	3,953	1.47	2.81	- 47.7	16.9	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc ... M	27.00	- .13	- .5	27.50	26.75	28.88	12.75	779	1.67	2.60	- 35.8	35.1	.00	.0	.....	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch ... N	19.88	.38	1.9	19.88	19.25	20.25	12.38	1,859	.49	1.16	- 57.8	17.1	.44	2.2	.....	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods ... N	22.38	.13	.6	22.50	21.63	23.00	11.75	1,437	1.09	.91	19.8	17.0	.16	.7	.....	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev ... O	13.38	- .38	- 2.7	13.50	13.25	16.50	5.75	2,291	4.43	2.73	62.3	NE	.00a	.0	.....	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts ... O	4.25	- .38	- 8.1	4.75	4.25	5.88	4.25	50	.15	.23	- 34.8	12.9	.08	1.9	.....	6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant ... M	4.75	.00	.0	4.75	4.50	13.50	4.13	729	1.60	1.94	- 17.5	NE	.00	.0	.....	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel ... M	12.25	.00	.0	12.75	11.75	23.50	11.75	795	2.23	1.21	84.3	14.8	.14	1.1	.....	6 mos.	01-85	14.2	19.3	(.2)	- 100.0	(.07)	- 100.0	30.8	18.9	.6	- 33.3	.19	- 44.1
Cucos Inc ... O	4.50	.00	.0	5.25	4.50	5.75	2.75	10	.06	.39	- 84.6	34.6	.00	.0	.....	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods ... M	11.38	.00	.0	11.38	11.25	15.63	8.00	12,800	3.80	8.70	- 56.3	27.7	.34	3.0	.....	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer ... M	11.38	- .75	- 6.2	12.25	11.38	15.50	10.88	1,084	2.15	2.48	- 13.3	NM	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts ... M	22.63	.25	1.1	22.75	22.38	23.00	13.00	749	1.05	1.53	- 31.4	16.8	.24	1.1	.....	6 mos.	04-85	24.7	13.8	2.8	16.7	.38	15.2	48.7	15.7	5.4	14.9	.74	15.6
El Chico ... M	10.13	.00	.0	10.13	10.00	10.88	7.25	303	.65	1.29	- 49.6	13.0	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Torito Rest ... N	17.50	1.38	8.5	17.63	15.88	17.63	9.75	961	.87	.56	55.4	17.2	.00	.0	.....	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper ... O	.69	.00	.0	0.81	0.69	1.63	.63	448	.76	.46	65.2	22.9	.00	.0	.....	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes ... M	6.63	.00	.0	6.75	6.50	9.13	5.13	1,620	2.34	2.17	7.8	NE	.00	.0	.....	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest ... O	2.50	.00	.0	3.50	2.50	7.38	2.50	5	.03	.23	- 87.0	NE	.00	.0	.....	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	- 100.0
Fresher Cooker ... O	1.88	.00	.0	2.13	1.88	6.75	1.50	10	.04	.71	- 94.4	NE	.00	.0	.....	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's ... A	25.00	- .38	- 1.5	25.13	25.00	25.50	13.00	91	.21	.23	- 8.7	21.2	.22	.9	.....	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc ... M	7.13	.13	1.8	7.13	6.88	15.13	6.38	1,662	2.55	4.51	- 43.5	NM	.00	.0	.....	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot ... M	2.81	.06	2.3	2.81	2.63	6.38	1.63	340	.57	1.73	- 67.1	NE	.00	.0	.....	fiscal	12-84	10.7	25.9	(1.4)	NE	(.25)	NE	52.7	45.6	(1.9)	NE	(.33)	NE
Good Taco ... M	.88	.25	40.0	0.88	0.63	3.38	.25	1,315	4.43	2.49	77.9	NE	.00	.0	.....	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet ... O	15.25	.00	.0	16.00	15.00	15.25	9.75	73	1.02	.28	264.3	8.2	.00	.0	.....	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger ... M	5.00	.00	.0	5.00	4.88	6.50	3.63	152	.53	1.50	- 64.7	NE	.00	.0	.....	6 mos.	02-85	14.5	- 8.8	(.4)	- 100.0	(.12)	- 100.0	28.9	- 6.8	(.5)	- 100.0	(.16)	- 100.0
Intl Dairy Queen ... O	50.00	.00	.0	52.00	49.50	50.50	39.00	14	.07	.19	- 63.2	13.7	.00	.0	.....	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab ... M	19.75	- .25	- 1.3	20.00	19.50	24.75	13.41	477	1.67	2.88	- 42.0	14.7	.00a	.0	.....	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest ... M	13.38	.25	1.9	13.63	13.00	15.50	7.66	2,978	8.51	3.21	165.1	16.7	.16	1.2	.....	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc ... M	20.75	- .75	- 3.5	21.25	20.25	21.50	13.50	3,778	2.39	4.11	- 41.8	15.3	.12	.6	.....	9 mos.	03-85	122.3	.2	4.3	- 4.4	.27	- 6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp ... A	3.13	.00	.0	3.38	3.13	3.88	1.13	724	3.23	1.29	150.4	4.9	.00	.0	.....	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl ... M	16.25	- 1.50	- 8.5	17.75	16.00	29.63	13.50	1,137	1.61	1.61	.0	9.7	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston ... M	.31	- .13	- 28.6	0.44	0.31	5.13	.25	1,000	1.17	2.81	- 58.4	NE	.00	.0	.....	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest ... A	2.25	.00	.0	2.38	2.25	3.75	1.75	152	.27	.49	- 44.9	NE	.00	.0	.....	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe ... N	30.50	- .63	- 2.0	31.38	30.38	32.50	24.00	351	.29	.71	- 59.2	20.1	.54	1.8	.....	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp ... M	18.25	.50	2.8	18.25	17.75	18.25	12.13	52	.10	.54	- 81.5	11.9	.28	1.5	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp ... N	92.00	2.00	2.2	92.25	89.75	92.25	62.75	1,157	.45	.58	- 22.4	17.1	.54	.6	.....	3 mos.	03-85	874.2	17.5	27.7	20.4	1.04	25.3	874.2	17.5	27.7	20.4	1.04	25.3
Maverick Rest ... O	3.88	- .13	- 3.1	4.00	3.88	6.25	2.25	253	.51	.46	10.9	48.4	.00	.0	.....	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max & Erma's ... O	3.25	- .13	- 3.7	3.75	3.25	4.75	2.50	60	.33	.24	37.5	NE	.00	.0	.....	3 mos.	01-85	4.8	9.1	.1	NE	.03	NE	4.8	9.1	.1	NE	.03	NE
McDonald's Cp ... N	66.75	- .25	- .4	67.25	66.25	67.38	42.94	5,744	.67	.97	- 30.9	15.2	.90	1.3	.....	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures ... M	10.63	.25	2.4	10.63	10.38	12.25	9.63	107	.22	.67	- 67.2	15.6	.00	.0	.....	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc ... M	19.75	.13	.6	19.75	19.63	20.25	13.75	1,326	1.00	1.44	- 30.6	13.2	.48	2.4	.....	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak ... O	2.25	- .13	- 5.3	2.38	2.25	3.13	1.13	316	.66	.85	- 22.4	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express ... O	.88	.00	.0	1.13	0.88	2.50	.88	111	.49	.91	- 46.2	NE	.00	.0	.....	fiscal	01-85	.3	200.0	.6	NE	(.15)	NE	1.0	66.7	.0	NE	(.40)	NE
Nathans ... M	3.63	.00	.0	3.88	3.38	4.50	1.78	75	.34	.78	- 56.4	14.5	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza ... M	9.25	.00	.0	9.38	8.88	9.75	7.50	524	.95	.63	50.8	13.2	.00	.0	.....	fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc ... M	4.88	.00	.0	5.00	4.63	10.13	4.63	301	.68	3.05	- 77.7	NE	.00	.0	.....	6 mos.	12-84	27.6	- 3.5	(.1)	- 100.0	(.04)	- 100.0	65.9	4.4	.3	- 84.2	.06	- 85.4
Noble Roman ... O	16.50	.00	.0	17.00	16.50	17.00	11.88	34	.56	.65	- 13.8	47.1	.00	.0	.....	3 mos.	03-85	4.7	4.4	(.1)	NC	(.21)	- 100.0	4.7	4.4	(.1)	NC	(.21)	- 100.0
1 Potato 2 ... O	1.75	.00	.0	2.00	1.63	11.50	1.25	182	.83	.83	.0	35.0	.00	.0	.....	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC
Old Fashion Fd ... M	4.50	.00	.0	4.50	4.50	6.25	4.00	45	.32	.41	- 22.0	9.6	.00	.0	.....	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet ... M	7.75	- .25	- 3.1	8.00	7.75	8.38	6.00	269	.72	3.95	- 81.8	14.1	.13	1.7	.....	6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants ... M	.25	- .06	- 20.0	0.31	0.25	2.50	.25	1,464	1.70	1.96	- 13.3	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ... M	23.00	- .25	- 1.1	23.13	23.00	24.25	16.50	145	.24	.89	- 73.0	14.6	.60	2.6	.....	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4
Pizza Inn ... A	7.50	- .38	- 4.8	7.88	7.00	12.75	6.88	309	1.02	.93	9.7	25.0	.08	1.1	.....	3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6

NRN STOCK INDEX



Source: Media General Financial Services

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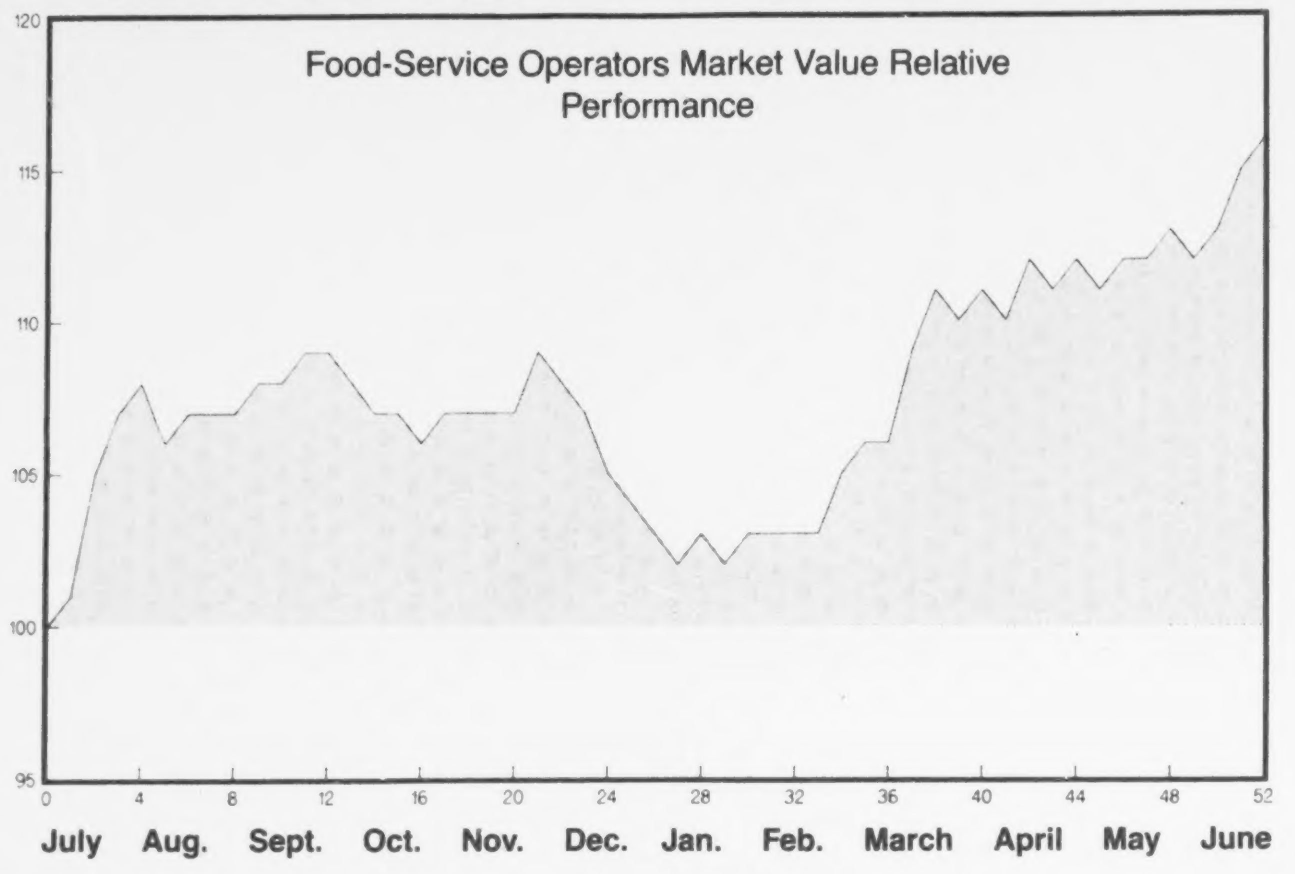
NRN STOCK INDEX VS. DOW JONES INDEX



	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded										Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	5-31-85 Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	12-Week Avg. Vol. As % Out	Volume Trend Change	P/E Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Po-Folks ..... M	10.00	- .50	- 4.8	10.25	9.75	16.63	8.75	228	.52	.58	- 10.3	14.3	.00	.0	.....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys ..... N	11.38	- 1.00	- 8.1	12.38	11.13	21.63	11.13	7,041	7.32	1.93	279.3	12.4	.40	3.5	.....	fiscal	02-85	132.6	- 5.4	(3.1)	- 100.0	(.36)	- 100.0	499.4	19.5	8.4	- 30.6	.92	- 39.1
Primo Inc ..... O	2.00	- .38	- 15.8	2.25	2.00	4.63	2.00	426	1.26	.68	85.3	NE	.00	.0	.....	6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants ..... M	9.25	- .25	- 2.6	9.50	9.25	16.38	7.75	253	.37	.72	- 48.6	22.6	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc ..... A	8.25	.38	4.8	8.50	7.88	8.88	5.38	274	.97	.53	83.0	15.0	.00	.0	.....	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Rest Systems ..... M	14.25	.50	3.6	14.25	13.75	16.50	9.00	29	.13	.96	- 86.5	15.7	.00	.0	.....	3 mos.	03-85	11.0	5.8	.5	.0	.23	9.5	11.0	5.8	.5	.0	.23	9.5
Ritzys G D ..... M	2.63	.00	.0	2.75	2.63	7.00	1.75	93	.18	.49	- 63.3	NE	.00	.0	.....	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican ..... M	16.88	.00	.0	16.88	16.88	18.25	11.00	42	.15	.87	- 82.8	22.8	.00	.0	.....	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam ..... M	18.25	- 1.00	- 5.2	19.00	17.75	19.25	11.34	665	.96	1.53	- 37.3	33.2	.00	.0	.....	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp ..... N	27.00	- .13	- .5	27.25	26.75	35.50	24.50	3,329	2.54	1.46	74.0	10.8	.52	1.9	.....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef ..... M	7.00	.13	1.8	7.25	6.88	9.00	6.75	56	.44	.56	- 21.4	12.3	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley ..... M	9.00	- .13	- 1.4	9.13	8.75	11.00	6.50	483	1.32	3.48	- 62.1	4.2	.00	.0	.....	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc ..... M	31.00	- .75	- 2.4	31.75	30.75	31.88	17.06	3,569	1.26	1.09	15.6	27.2	.15	.5	.....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South ..... M	13.38	.00	.0	13.38	13.13	16.59	11.41	259	.46	1.19	- 61.3	12.6	.00	.0		3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp ..... M	4.50	.50	12.5	4.50	4.00	7.00	3.25	107	.69	.42	64.3	NE	.00	.0	.....	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl ..... M	23.00	- .50	- 2.1	23.50	22.75	24.00	12.00	494	.72	.92	- 21.7	16.5	.00	.0	.....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers ..... M	10.25	- .13	- 1.2	10.50	10.25	12.50	8.00	140	.51	1.44	- 64.6	11.4	.06	.6	.....	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality ..... M	5.13	.00	.0	5.25	4.88	5.88	3.75	707	1.42	2.12	- 33.0	14.6	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face ..... O	.78	- .03	- 3.8	0.84	0.69	1.44	.59	674	.45	.71	- 36.6	NE	.00	.0		9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc ..... O	1.75	- .25	- 12.5	2.13	1.75	3.63	1.75	57	.18	.43	- 58.1	NE	.00	.0	.....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa ..... O	5.50	.00	.0	6.00	5.50	7.75	4.75	25	.06	.24	- 75.0	18.3	.00	.0	.....	fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva ..... M	6.13	- .38	- 5.8	6.75	6.13	7.50	4.66	492	1.44	1.12	28.6	18.0	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's ..... N	11.50	- .13	- 1.1	11.50	11.25	13.13	7.88	1,013	.87	.53	64.2	17.2	.00	.0	.....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas ..... O	2.25	.00	.0	2.50	2.25	3.50	2.25	4	.03	.05	- 40.0	NE	.00	.0	.....	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
Transworld ..... N	38.25	3.00	8.5	39.00	35.25	39.00	25.13	16,375	4.60	1.95	135.9	12.5	.48	1.3	.....	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes ..... M	4.38	.13	2.9	4.63	4.25	5.75	2.75	271	.43	2.16	- 80.1	12.5	.28	6.4	.....	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants ..... M	27.50	.25	.9	27.88	27.13	28.00	13.25	2,698	4.05	5.94	- 31.8	20.7	.12	.4	.....	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations ..... M	3.00	.00	.0	3.00	2.75	7.38	2.13	1,130	3.19	2.87	11.1	NE	.00	.0	.....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl ..... N	18.88	1.00	5.6	19.00	17.75	19.00	11.25	10,519	1.44	1.47	- 2.0	19.7	.21	1.1	.....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer ..... M	9.75	.25	2.6	10.50	9.00	12.00	9.00	34	.28	.36	- 22.2	17.1	.20	2.1	.....	9 mos.	11-84	11.2	24.4	.1	- 80.0	.05	- 87.5	31.0	25.5	.5	- 44.4	.38	- 54.2
Winners Cp ..... N	6.75	- .38	- 5.3	7.00	6.50	13.38	5.13	397	.88	1.66	- 47.0	48.2	.00	.0	.....	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp ..... N	3.00	.00	.0	3.25	2.88	5.63	1.88	1,616	1.23	.92	33.7	NE	.10	3.3	.....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels ..... N	66.50	- .38	- .6	66.88	64.75	73.50	45.50	1,720	.09	2.28	- 69.7	14.6	1.80	2.7	.....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns ..... N	56.38	- .38	- .7	57.63	55.38	57.63	35.25	3,415	1.19	1.82	- 34.6	14.2	1.00	1.8	.....	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn ..... N	30.38	1.63	5.7	30.38	28.50	30.39	13.69	1,385	.72	.91	- 20.9	26.9	.09	.3	.....	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns ..... N	7.13	.25	3.6	7.13	6.63	8.25	5.13	6,992	1.88	1.96	- 4.1	54.8	.00	.0	.....	fiscal	12-84	151.7	13.0	(2.1)	- 100.0	(.05)	- 100.0	598.1	4.6	4.7	11.9	.13	.0
Servico Inc ..... M	21.50	.63	3.0	22.00	21.00	22.28	13.88	223	.64	.60	6.7	13.6	.00a	.0	.....	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl ..... O	23.50	.00	.0	25.00	23.50	27.00	18.00	14	.09	.12	- 25.0	7.9	.40	1.7		3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev ..... M	20.50	- .25	- 1.2	20.75	20.50	22.63	14.00	1,033	1.72	2.79	- 38.4	20.3	.40	2.0	.....	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut ..... N	8.13	- .13	- 1.5	8.50	8.13	11.75	7.25	124	.26	1.37	- 81.0	NM	.48	5.9	.....	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt ..... N	87.00	4.00	4.8	89.75	82.38	89.75	45.25	9,050	2.74	1.47	86.4	60.4	1.20	1.4	.....	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods ..... O	2.00	.13	6.7	2.25	1.88	2.88	1.13	104	.44	.78	- 43.6	22.2	.00	.0	.....	9 mos.	09-84	3.5	34.6	.0	NC	.02	.0	9.8	25.6	(.1)	- 100.0	(.02)	- 100.0
Gen Mills ..... N	60.00	1.88	3.2	60.63	57.88	60.63	47.75	11,489	2.59	1.91	35.6	35.5	2.24	3.7	.....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R ..... N	42.63	1.38	3.3	42.88	41.00	44.50	37.63	2,389	.49	.91	- 46.2	11.2	2.80	6.6	.....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart ..... A	10.38	.00	.0	10.50	9.88	16.44	8.63	1,408	1.14	1.31	- 13.0	14.6	.00a	.0	.....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp ..... N	29.13	.38	1.3	29.25	28.63	31.88	24.13	606	.32	.74	- 56.8	14.1	1.80	6.2	.....	3 mos.	03-85	574.3	8.6	12.0	2.6	.63	3.3	574.3	8.6	12.0	2.6	.63	3.3
PepsiCo Inc ..... N	58.25	1.25	2.2	58.38	56.13	58.38	39.88	25,201	2.62	2.11	24.2	15.2	1.78	3.1	.....	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co ..... N	54.63	4.25	8.4	55.00	50.00	55.00	34.50	4,166	.96	.71	35.2	12.4	1.56	2.9	.....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France ..... M	10.00	.00	.0	10.00	9.75	15.25	9.50	594	.55	.93	- 40.9	16.9	.23	2.3	.....	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

SPOTLIGHT ON FINANCE

Skipper's taps $10 million in partnership financing

By Rick Telberg

Skipper's Inc. of Bellevue, Wash., a chain of 175 fast-food restaurants serving fried fish, has joined the growing number of companies that are financing new construction through sale-leaseback syndications instead of traditional bank mortgages.

Skipper's is raising $10 million to build 26 company-owned and franchised units and to equip 10 of them. It will cost Skipper's 11.5% per year, plus 5% of sales over $500,000 per year at each unit.

"At your friendly neighborhood bank," said Mark Pass, Skipper's vice president of real estate and development, "interest rates would be considerably higher and we'd have to do each new unit one by one."

Independent operators have long relied on partnerships to provide needed capital to open restaurants. But in recent years midsize restaurant chains have jumped on the bandwagon, packaging dozens of new units in each publicly registered limited partnership. Among them: Duff's smorgasbord franchisee Sunbelt Paragon of Lebanon, Ohio, Del Taco of Costa Mesa, Calif., and Shoney's Inc. of Nashville.

In recent months, spurred by looming changes in the Federal tax code that would curtail the benefits of real estate ownership, the pace has reached record levels. Sales of real estate limited partnerships hit $1.9 billion in the year's first quarter, according to Stephen Roulac & Co. of San Francisco.

* * *

For Skipper's, the tactic offers economies of scale. "Anything less than $1 million, the bank wouldn't look at," Pass said. "Our restaurants cost $450,000 to $550,000 each. It's really difficult to place financing for them one at a time."

For investors, the deal offers a tax shelter and an inflation hedge.

Here's how the deal, underwritten by Murphey Favre Inc. stock brokerage of Spokane, works:

Skipper's, or its franchisees, will locate and develop each new restaurant, then sell it to the partnership at cost. The partnership then leases the restaurant back to Skipper's or the franchisee.

The partnership buys the restaurant with the $4.6 million raised from the sale of 1,840 partnership units at $2,500 each. There is a $5,000 minimum ante. In addition, the partnership also borrows about $6 million from banks at 11.5% interest amortized over 30 years.

From then on, the restaurant operators pay rent to the partnership, which distributes it to the partners.

An investor in the 38% tax bracket in the first full year of the program could get back $480 in cash flow, plus tax benefits of $314, for an aftertax return of 12%.

Of course, when the tax benefits of depreciation start to wear thin after 1990, the investor's aftertax return will drop to 9%, assuming sales per unit increase 8% each year. At a certain point the partnership is dissolved by selling off the properties.

The risk rests with the investors. But Skipper's finances expansion at a cost below market.

* * *

STOCK-PICKERS' PICKS: Steven Rockwell has returned Rusty Pelican (recent price: $17) to Alex. Brown & Sons' "recommended" list.

The stock ran into trouble several months ago when opening and operating costs zoomed out of control, leading to a 67% reduction in second-quarter earnings at the seafood dinnerhouse chain.

"The stock," he said, "is currently selling at a price-earnings multiple equal to approximately 60% of the company's 30% long-term growth rate, compared with the average restaurant stock which is selling at approximately 75% of its long-term growth rate."

Michael Culp at Prudential-Bache Securities in New York has cut his rating for Carrols Corp. ($10.50) from "aggressive purchase" to "average performer."

Ten Casinos post $157G loss

Income decline attributed to infrastructure problems

By Peter Romeo

ATLANTIC CITY — The 10 casino-hotels here posted a combined operating loss of $157,000 for the first quarter ended March 31, compared with an operating profit of $24.9 million for the year-earlier period.

The steep decline in income follows a "meager" 3% rise in total winnings for the city in 1984, according to John J. Rohs of Wertheim & Co. in New York.

"We do not expect the news to get much better near-term," Rohs wrote in a recent report.

Rohs and gaming companies attributed the decline in income to Atlantic City's mounting "infrastructure" problems, including inadequate means of transporting new gamblers into the area, a "bunching" of business in the summer months and a lack of noncasino hotels that prevents the city from drawing major conventions.

In addition, they maintained that Atlantic City's image as a gaming area rather than a full-fledged resort has hindered efforts to draw vacationers from beyond the New Jersey/New York/Pennsylvania area, those who would be likely to stay longer and spend more.

The Sands and the Golden Nugget were the only properties to show an increase in operating income from the figure for the first quarter of 1984, according to the New Jersey Casino Control Commission.

The Sands' operating profit increased to $1.6 million from $225,000 a year ago, while the Golden Nugget's operating income rose to $1.6 million from $600,000.

Of all the casinos, the Atlantis suffered the steepest decline, with its pretax operating loss increasing to $9.7 million from $1.7 million

Close behind was the Resorts International, which posted an aftertax operating loss of $405,000 compared with the $6 million reported for the same period of last year.

Also finishing in the red was the Tropicana, down 116% from the year-ago figure, for an operating loss of $56,000.

Trump Plaza, which opened last May, is operated in a 50-50 partnership by Donald Trump and Holiday Corp.

Holiday's other Atlantic City casino-hotel, Harrah's Marina, posted an operating profit of $10.7 million, the highest of the 10 properties.

ATLANTIC CITY CASINOS' FIRST-QUARTER RESULTS

(In Millions)

	1985	1984	% change
Atlantis	($9.7)*	($1.7)	n.a.
Bally's	2.0	4.2	(52.4)
Caesars	0.4	3.5	(88.6)
Claridge	(5.1)	(4.6)	n.a.
Golden Nugget	1.6	0.6	167
Harrah's Marina	10.7*	13.1	(18.3)
Resorts Int'l	(0.4)	6.0	n.a.
Sands	1.6	0.2	700
Tropicana	0.06	3.6	(116)
Trump	(1.4)*	n.a.	n.a.
Total	(0.2)	24.9	n.a.

*Pretax
n.a. not applicable

Source: N . Casino Control Commission

Labor Dept.: April menu prices up 3.9%

WASHINGTON — The Consumer Price Index for Food Away from Home rose 3.9% in April from April 1984, the U.S. Labor Department said.

The Government's leading barometer of changes in restaurant menu prices has been rising at a rate unchanged since January.

Meshed with earlier reports from the U.S. Commerce Department's Census Bureau, April's year-to-year eating and drinking place sales growth was cut to negative 0.9%.

April's "real" sales decline followed an inflation-adjusted 1.5% gain in March, a 2.4% real decline in February and a bare 0.3% advance in January. "Real" growth came at more than a 4% rate from 1983 to 1984.

In a separate report, the U.S. Labor Department said its Producer Price Index for Finished Consumer Foods, which gauges changes in restaurateurs' food costs, retreated 0.7% in April from April 1984.

Eggs, with a 34% year-to-year decline, led the easing in food costs, followed by poultry, beef and veal, each down 11%. Fresh fruits rose 20%.

NRN FINANCIAL DIGEST

Transworld may sell Century 21

NEW YORK — Transworld Corp. said it was considering the divestiture of its Century 21 real estate brokerage.

"It would simplify our business mix and allow us to concentrate on opportunities in our food and lodging businesses," said chairman L. Edwin Smart.

Transworld owns Spartan Food Systems, Canteen Corp. and the foreign Hilton International hotel system.

Sbarro expands share offering

MELVILLE, N.Y. — The initial public offering of shares in Sbarro Inc. was expanded by 150,000 shares to 1.15 million and priced at $10.38 each.

The company said insiders were selling 350,000 of the shares. Proceeds are earmarked to repay short-term bank debt and for expansion.

Sbarro is a 105-unit chain of cafeteria-style Italian restaurants located in shopping malls.

Naugles sees year-end loss

FULLERTON, Calif. — Naugles said it expects a fourth-quarter profit but a loss for the year ending June 30.

The company said sales declines at many restaurants and increased interest expenses stemming from a debenture issue in April 1984 hurt third-quarter results.

The fast-food chain said it had a net loss of $1.9 million for the quarter ended April 4, compared with a year-ago net loss of $7.1 million. Quarterly revenue rose 7%, to $27.5 million.

Year-to-date losses totaled $1.7 million, compared with last year's loss of $5.2 million. Nine-month revenue rose 7%, to $93.3 million.

Po Folks renews franchise

NASHVILLE — Po Folks Inc. said its Davco Food Inc. subsidiary extended its franchise agreement with Wendy's International.

The new deal gives Po Folks the right to open another 97 Wendy's for 10 years beginning in 1987, when the current franchise expires. Po Folks already has 110 Wendy's in St. Louis, Washington and Baltimore.

Chili's doubles 3rd quarter net

DALLAS — Chili's Inc., a chain of 45 full-service restaurants, said that despite severe weather, which temporarily closed operations in several markets, it more than doubled net income for the third quarter.

The company said it earned $862,000 in the quarter ended March 31, up 120% from earnings in the prior-year quarter.

C5150-5

Letting off steam to cope with stress —Focus/F3

Hard Rock owner wins court suit over name —Page 34

Reagan's tax plan: The positive side —Page 54

Telberg

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Forecast fuels fear of labor shortage

Worker demand to rise 38%

By Linda Breggin

WASHINGTON — The nation's eating and drinking places will need to fill an additional 1.8 million food-service jobs by 1995, according to the latest long-term industry employment projections from the Labor Department's Bureau of Labor Statistics (BLS).

- **Coping with the shortage, page 2**
- **Effects of tax plan, page 3**

The new Federal forecast, which calls for a 38% increase in demand for restaurant workers and a 33% increase in demand for all food-service workers from 1982 to 1995, figures to add fresh fuel to growing industry concern over predicted manpower shortages during the coming "post baby boom" decade. The National Restaurant Association is forecasting a shortage of three million workers in 10 years if trends continue.

(See **FORECAST**, page 4)

FOOD-SERVICE JOB GROWTH*

Occupation	1982 Total Employment (In Thousands)	1995 Total Employment (In Thousands)	1982-95 Per Cent Change
All food-service workers	6,204	8,221	+33
Bakers, bread & pastry	36	46	+28
Bartenders	384	505	+32
Cooks and chefs	1,211	1,613	+33
Food preparation and service workers, fast food	809	1,106	+37
Hosts/hostesses	113	154	+36
Kitchen helpers	850	1,155	+36
Pantry, sandwich, and coffee makers	84	112	+34
Waiters and waitresses	1,665	2,227	+34

*The figures used in the charts are based on *moderate trend projections*, based on the following:

- A period of recovery from the 1982 recession, followed by stable economic growth through the mid-1990's.
- Civilian unemployment rate projected to fall to 6.3% by 1990 (it was 9.7% in 1982) then dip slightly to 6% by 1995.
- Total employment expected to rise to 127.6 million in 1995 (from 102.3 million in 1982), a gain of 25 million jobs.
- Growth projected to be faster in the earlier years, as industries rebound from the recent economic downturn.

Chinese food luring chains

Wide-open segment ripe for expansion

By Mark Schoifet

General Mills, seeking to establish a foothold in the wide-open Chinese food segment, has purchased a four-unit Minneapolis chain called Leann Chin for an undisclosed sum.

With the acquisition, the parent company of Red Lobster and York Steak Houses joins International Multifoods, which has signed a franchising agreement with Nankin Express, as the first major chain players in a segment noted for a lack of participation by the large food-service conglomer-

(See **CHINESE**, page 51)

NO SCABS H.E.R.E.
NO SCABS HERE
TODAY THE SCABS WILL TRY TO TAKE OUR JOBS
PICTURE UNION

Hotel workers in New York take to the streets during the first week of the strike.

Strike forces hotels to cut food service

By Peter Romeo

NEW YORK — A strike here by more than 16,000 food-service and other hourly hotel workers has forced 55 hotels to drastically cut their food and beverage services.

Meanwhile, the New York Hotel and Motel Trades Council, the union coalition representing 25,000 hotel employees, was threatening at presstime to spread the strike to as many as 30 other hotels and warned that the strike will be a long one.

Almost all of the hotels thus far affected have closed at least one restaurant, and many have closed all their f&b outlets.

Many have also discontinued room service. Those which have retained the service have limited the menu largely to beverages and sandwiches or other cold dishes.

Whatever meals are being offered in the properties are being served by nonunion replacements, managers from other hotel departments or, in the instance of chain hotels, by workers taken from hotels outside New York.

Banquet service has been unaffected at the struck ho-

(See **STRIKE**, page 51)

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Steakhouse eyes national move

Smith & Wollensky to open in Boston, Chicago, L.A.

By Paul Frumkin

NEW YORK — Alan Stillman and Mike Byrne are confident that America's love affair with steakhouses has not cooled despite the continued decline in red-meat consumption in this country.

In fact, they are so convinced that a flame still burns in the heartland for a good slab of sirloin that they are preparing to take their Upper East Side steakhouse Smith & Wollensky national in 1985.

According to Byrne, who is a partner in Smith & Wollensky with Stillman, if all negotiations are finalized by the end of the month, two new restaurants could possibly be opened in Boston and Chicago before the end of the year, with two more opening in Los Angeles and Texas in 1986.

"Right now we're in the process of resolving some final problems with a large investor group that owns properties all over the United States," he explained. "Once these have been settled, expansion could

(See **STEAKHOUSE**, page 14)

SMITH & WOLLENSKY STEAKS & C

Smith & Wollensky steakhouse in New York. Right: co-owner Alan Stillman.

Church's purchasing Texas-based Tinsley's

Will boost home-state market share

By Don Jeffrey

SAN ANTONIO — Church's Fried Chicken has agreed to acquire another small, Texas-based chicken chain—its third in two years.

Tinsley's Chicken and Rolls, a 46-unit, family-owned chain based in Huntsville, Tex., has been tentatively purchased by Church's for an undisclosed amount of stock.

David Tinsley, the 46-year-old chain president, said most of the units would be converted to Church's.

"We got a little too big to be a family, mom and pop operation. We'll get more growth with Church's."

There are 40 company-owned and six franchised Tinsley's, mostly in East Texas.

In 1983 Church's bought Houston-based Ron's Krispy Fried Chicken. A major reason for that purchase was to give Church's penetration in the sprawling Houston market. Because of a court ruling against Church's arising out of a dispute with a franchisee, it has not been allowed to open company units there under its own name. Most of the Ron's stores have continued operating as Ron's.

Acquiring Tinsley's helps boost Church's market share in its home state of Texas. The concepts are similar, which will make conversion relatively easy. Tinsley's signature item is a freshly baked yeast roll that its president says may be introduced in the Church's units.

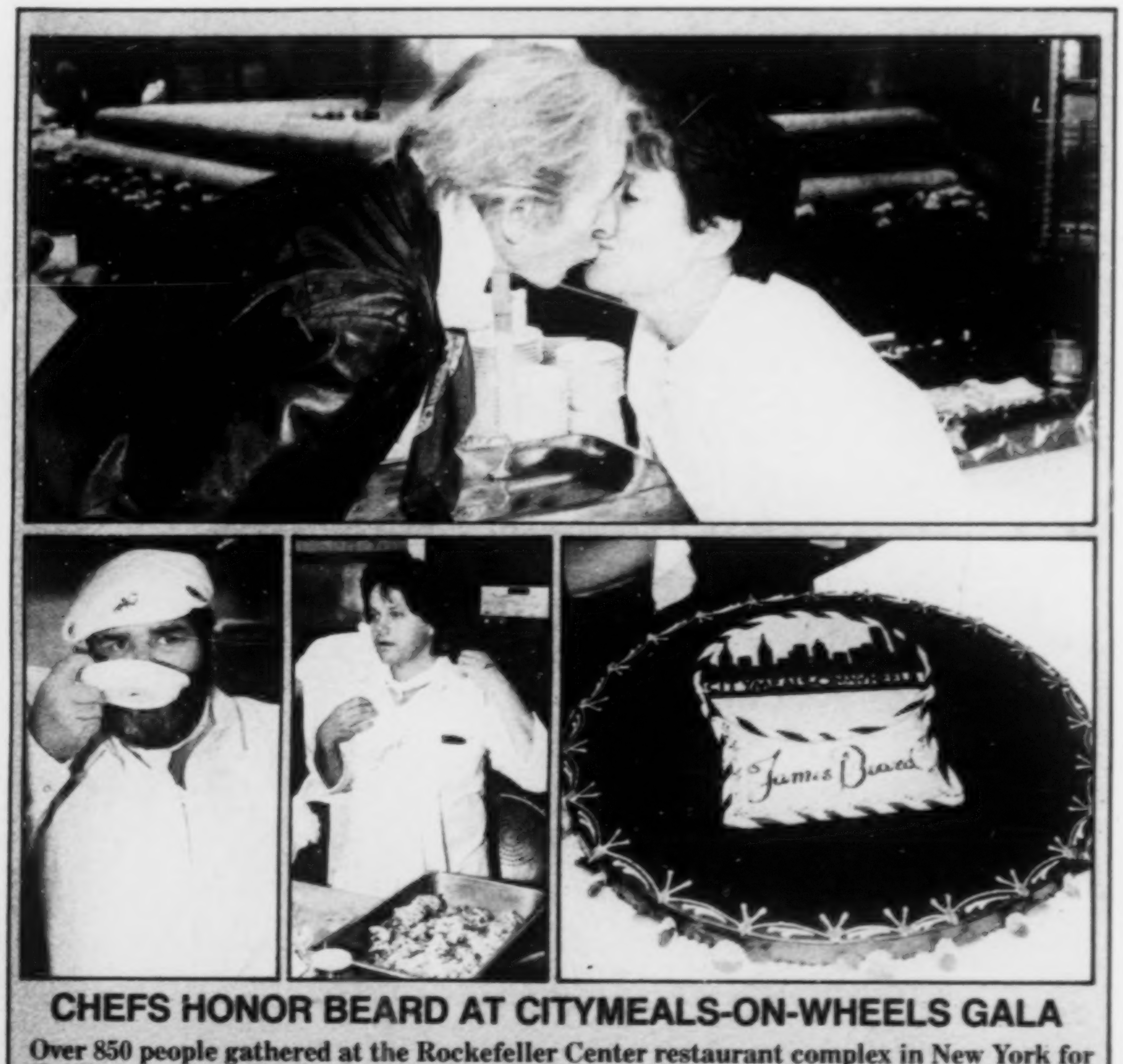
David Tinsley founded the chain in 1968 with his father, John, who is chairman. He said Church's chairman J. David Bamberger contacted him last November about the possibility of a sale. Merging with the larger company, Tinsley said, would mean greater financial resources for growth and marketing and better opportunities for the Tinsley's executives. David Tinsley said he had agreed to act as a paid consultant to Church's for several years. The deal is expected to close in August.

Tinsley said his family planned to continue operating their four dinnerhouses, including The Chicken Shack.

He said one or more of those concepts could be expanded. "We're getting together a game plan now."

This is the second acquisition Church's has made since president Richard Sherman was hired last year. (Church's recently bought a four-unit San Antonio-area chain, Walker's Fried Chicken, and converted the units to Church's.) It was his expertise in acquisition with Imasco's Hardee's chain that, among other qualities, appealed to Bamberger, who took over as chairman of then-faltering Church's the year before.

For the first quarter ended March 31, Church's reported an 18% net profit increase, to $7.9 million, on an 11.4% revenue gain, to $116.3 million. The company operates or franchises more than 1,500 restaurants.



CHEFS HONOR BEARD AT CITYMEALS-ON-WHEELS GALA

Over 850 people gathered at the Rockefeller Center restaurant complex in New York for the Citymeals-on-Wheels tribute to James Beard. Clockwise, actor Danny Kaye gives Alice Waters, chef of Chez Panisse, a kiss; the ceremonial cake; K-Paul's chef, Paul Prudhomme, and Wolfgang Puck, chef of Spago.

Forecast raises concern over employee shortage

(Continued from page 1)

According to the BLS, the projected rise in demand for eating-and-drinking-place workers reflects the continuing "trend toward eating outside the home" that began in 1967.

It is significant, however, that some food-service industry leaders fear the trend could be short-circuited if food service is unable to find workers to fill the increasing number of jobs available in restaurants.

Even assuming a "moderate" rate of growth for the overall national economy, BLS researchers anticipate that fast-food restaurants alone will need to fill nearly 300,000 additional jobs between 1982 and 1995.

If the agency's forecasts are on target, the demand for "food preparation and service workers" in fast-food establishments will jump 37% during that period, and the total number of employees needed to staff those restaurants will top 1.1 million by the mid-1990's.

Other food-service occupations are also expected to expand and grow "faster than average" in comparison with other employment sectors.

The BLS predicts that the number of waitresses and waiters will go up 33.8% during the 1982-95 period. The 562,000-job increase is estimated to create a total of 2,227,000 waitress and waiter positions by 1995.

In fact, waiters ranked seventh on the Labor Department's list of top 40 occupations with the largest job growth, and the category will represent 2.2% of the total job growth—for all occupations—between 1982 and 1995, according to BLS projections. (Building custodians, cashiers and secretaries placed first through third respectively on the list.)

Not only food-service employees but also service workers in general will "continue to increase faster than total employment and account for a greater share of total employment in 1995 than in 1982," according to BLS forecasters.

Other food-service occupations expected to show strong growth during the 1982-95 period include cooks, bartenders, kitchen helpers and hosts and hostesses.

According to BLS projections, the demand for cooks is expected to grow by 402,000 between 1982 and 1995.

COMMODITIES

Lamb prices remain high despite rise in imports

NRN **Special Report**

The effects of two years of drought and the killing blizzards of the winter before last are still curtailing lamb production. Although money is still tight for many ranchers, the prices of feeder lambs have been rising this spring, indicating intentions of flock rebuilding.

The strong dollar and good years of increased production in New Zealand and Australia have been steadily increasing the amount of lamb imported from those two major producing countries, as domestic production has sagged. But even with a strong surge in imports this year (up about 50% over those of 1984), the Down Under share of the U.S. lamb market will be only 6%, hardly enough to do much more than replace the shortfall in domestic production. Since U.S. lamb has the premium image, prices will continue to stay high, despite the increases in imports.

Through the first three months of this year, production of lamb was down 5% below that of a year earlier. At the same time, however, consumption was off by about the same amount, discouraged by higher prices. In May, prices for domestic freshly slaughtered (spring) lambs were running 10% to 15% more than they were last year at the same time.

Late last month the U.S. Department of Agriculture released its report on the marketing of feedlot cattle. It was expected to have increased during the spring but instead was down, indicating an inventory of cattle on feed is still overhanging the market. With that prospect of continued adequate supplies, the outlook for increased beef prices during summer grows more remote.

The moderate spring weather in most major feeding areas has meant cattle put on weight quickly and at less cost than is usual for that time of year. With less investment per hundredweight, feedlot operators can afford to hold back cattle from market for a few additional weeks without endangering profits.

Hogs brought to slaughter are running closer to usual sizes, marking an end to the giants that have been marketed for the last month or two. Again, the milder spring permitted the animals to gain weight quickly, and farmers held them back a few additional weeks to obtain greater return per carcass. However, things are returning to normal, farmers are busy with planting and field maintenance, hog slaughter is down as producers devote their time to other activities.

Poultry production continues strong, up 4% to 6% from that of last year at this time. Egg producers are convinced that their increased production is too much of a good thing and are planning to cut back laying flocks to bring prices up again. During the last week of May, egg prices dropped by as much as 6¢ to 8¢ a dozen, even though they were already down by as much as 12¢ to 15¢ from last year's prices.

And low prices for feed grains will be with us into next year, it seems. Most of the grain crops are expected to be at bumper levels. Corn, oats, wheat, soybeans (down in acreage but expected to be nearly double in yield), sorghum (milo) and barley are all projected as large crops.

Combine that with heavy carryovers of existing stocks and an anticipated weak export market, and you have the potential for: 1) continued inexpensive feed stocks for meat animals and poultry and 2) more farmers going under.

Stock Index up 1.2 to 131.1; losers over gainers 47-43

By Don Jeffrey

NEW YORK — Despite sluggish trading in food-service stocks, the *Nation's Restaurant News* Food-Service Operators Stock Index registered its fourth consecutive weekly record closing, finishing the week ended June 7 at 131.1, a 1.2-point gain.

Issues advancing in price were outnumbered, 47 to 43, by declining issues, as 24 stocks on *NRN*'s complete, 114-issue listing were unchanged in price. Sixty-six issues traded at lower volume than the previous 12-week average, while 47 traded higher. One was unchanged.

The Dow Jones Industrial Average, despite a record closing of 1,327.28 on June 6, finished the week up only 1.01 points at 1,316.42. Uncertainty about interest rates caused the rise and fall of the index, analysts said.

Benihana was the weekly leader in volume surge, with 606,200 shares (20.85% of the total outstanding) changing hands.

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Benihana Natl .... M	353.3	Consol Prdts .... M	192.6
Folks Rest .... O	275.0	El Chico .... M	170.8
TGIF Texas .... O	271.4	DLites Of Amer .... M	155.0
El Torito Rest .... N	263.5	Churchs Fr Ch .... N	154.0
Fresher Cooker .... O	196.3	Karcher Carl .... M	149.7

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Concept Dev .... O	25.2	El Chico .... M	9.9
Esteban Foods .... O	18.8	Carrols Cp .... N	8.8
Brock Hotel Cp .... N	16.7	Cracker Barrel .... M	8.2
Calibre Cp .... M	13.3	Rest Systems .... M	7.0
Benihana Natl .... M	10.3	Pizza Inn .... A	6.7

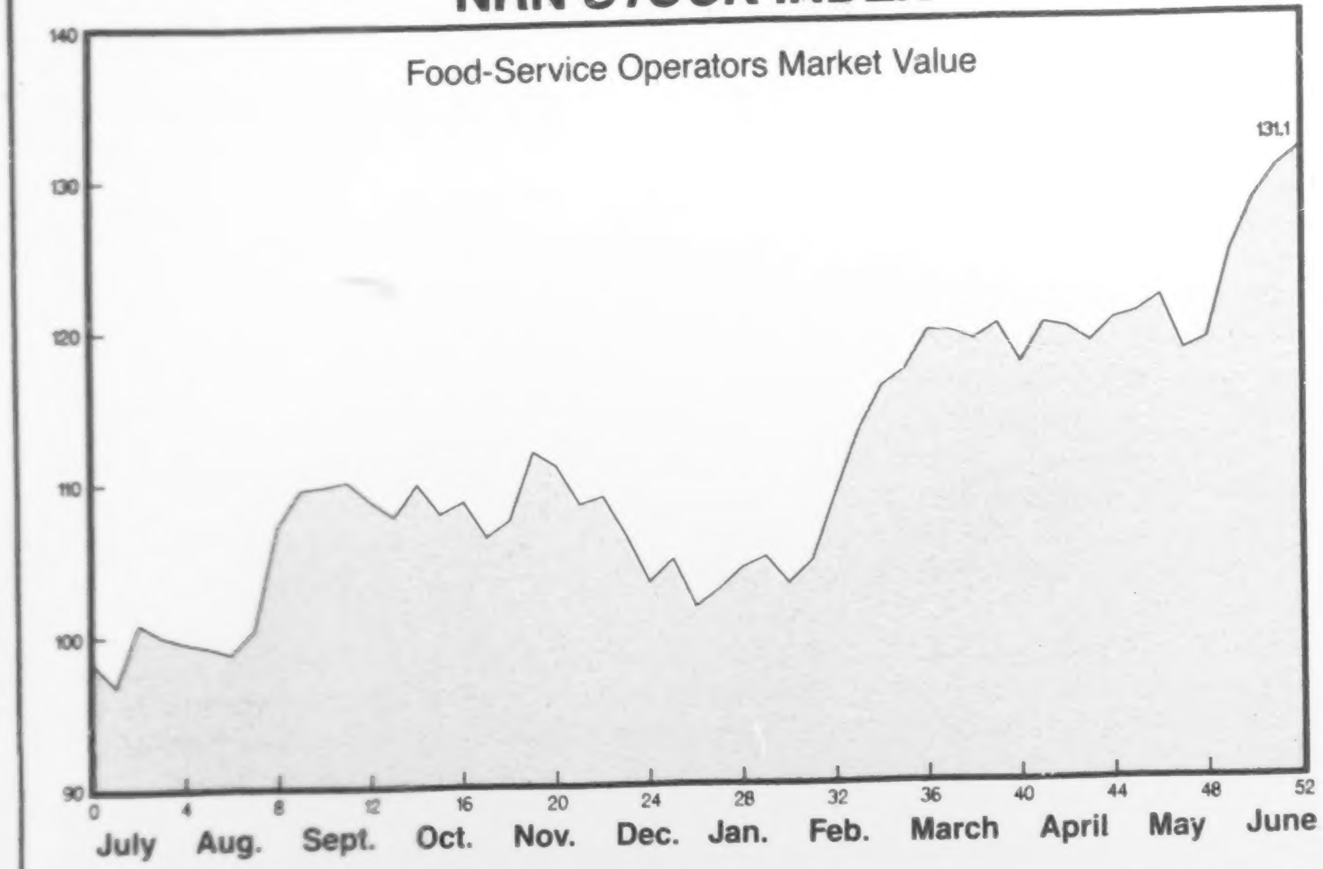
TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Fresher Cooker .... O	- 53.3	RAX Restaurants .... M	- 8.1
Swensens Inc .... O	- 14.3	Max & Erma's .... O	- 7.7
Chefs Intl .... O	- 11.1	Wstn Steer .... O	- 7.7
Karcher Carl .... M	- 9.2	Vie de France .... M	- 7.5
Fast Food Oper .... O	- 9.1	Churchs Fr Ch .... N	- 7.5

	Stock Market											Financial Update																	
	Price							Volume																					
	6-07-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
															New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs .... M	6.13	.25	4.3	6.25	5.63	7.13	3.50	221	.62	.82	- 24.4	18.6	.00	.0	.....	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests .... M	4.88	- .25	- 4.9	4.88	4.75	5.38	3.50	76	.31	.83	- 62.7	16.8	.00	.0	.....	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants .... O	4.00	- .25	- 5.9	4.25	4.00	6.00	2.38	103	.45	.34	32.4	30.8	.00	.0	.....	fiscal	01-85	4.5	4.7	.0	- 100.0	.01	- 85.7	18.1	19.9	.3	- 25.0	.13	- 51.9
Assoc Hosts .... M	11.13	- .25	- 2.2	11.38	10.88	17.13	10.88	824	1.86	1.98	- 6.1	15.0	.12	1.1	.....	6 mos.	03-85	22.9	- 5.8	.7	- 36.4	.16	- 36.0	45.4	- 3.6	1.4	- 26.3	.32	- 25.6
Benihana Natl .... M	20.00	1.88	10.3	20.75	17.88	21.75	10.75	6,062	20.85	4.60	353.3	21.7	.00	.0	.....	9 mos.	12-84	15.4	220.8	.7	133.3	.23	91.7	39.7	245.2	1.8	157.1	.62	138.5
Bob Evans Farms .... M	20.75	.13	.6	21.25	20.75	21.13	14.75	1,117	.69	.72	- 4.2	18.7	.30	1.4	NEW	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp .... M	2.13	.25	13.3	2.13	1.88	5.13	.63	58	.19	.39	- 51.3	NE	.00	.0	.....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food .... M	12.00	.25	2.1	12.00	11.63	13.25	7.75	242	.54	2.29	- 76.4	17.6	.16	1.3	.....	fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab .... M	1.94	.00	.0	2.00	1.81	3.25	1.38	1,631	1.07	2.03	- 47.3	NE	.00	.0	.....	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp .... N	9.25	.75	8.8	9.25	8.38	11.50	7.88	616	.79	.76	3.9	12.5	.07	.8	.....	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chefs Intl .... O	.50	- .06	- 11.1	0.63	0.50	1.06	.38	1,331	.69	.44	56.8	NE	.00	.0	.....	9 mos.	10-84	5.1	2.0	(.4)	NE	(.02)	NE	16.9	.0	(.9)	NE	(.05)	NE
Chi-Chi's .... M	10.88	.25	2.4	11.00	10.50	18.25	9.38	5,087	1.89	2.57	- 26.5	17.3	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc .... M	26.75	- .25	- .9	27.00	26.75	28.88	12.75	587	1.26	2.43	- 48.1	34.7	.00	.0	.....	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch .... N	18.38	- 1.50	- 7.5	20.25	18.00	20.25	12.63	11,849	3.15	1.24	154.0	15.8	.44	2.4	.....	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods .... N	21.88	- .50	- 2.2	22.50	21.63	23.00	11.75	850	.65	.87	- 25.3	16.6	.16	.7	.....	9 mos.	01-85	114.7	17.2	4.0	14.3	.30	15.4	344.6	19.2	13.9	17.8	1.05	15.4
Concept Dev .... O	16.75	3.38	25.2	17.00	13.50	16.75	5.75	2,887	5.58	3.12	78.8	NE	.00a	.0	.....	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts .... M	4.13	- .13	- 2.9	4.25	4.00	5.88	4.00	261	.79	.27	192.6	12.5	.08	1.9	.....	6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant .... M	4.75	.00	.0	4.75	4.63	13.50	4.13	374	.82	1.85	- 55.7	NE	.00	.0	.....	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel .... M	13.25	1.00	8.2	13.25	12.25	23.50	11.75	484	1.36	1.23	10.6	18.4	.14	1.1	NEW	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc .... O	4.75	.25	5.6	5.25	4.50	5.75	2.75	35	.20	.38	- 47.4	36.5	.00	.0	.....	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods .... M	11.63	.25	2.2	11.63	11.25	15.13	8.00	15,189	4.51	7.67	- 41.2	28.4	.34	2.9	.....	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer .... M	10.88	- .50	- 4.4	11.88	10.63	15.50	10.88	3,838	7.60	2.98	155.0	98.9	.00	.0	.....	9 mos.	12-84	2.8	86.7	.2	100.0	.04	33.3	7.5	70.5	.3	50.0	.09	28.6
Dunkin Donuts .... M	22.63	.00	.0	23.13	22.50	23.13	13.00	896	1.25	1.49	- 16.1	16.8	.24	1.1	NEW	6 mos.	04-85	.7	- 96.8	2.8	16.7	.38	15.2	24.7	- 41.3	5.4	14.9	.74	15.6
El Chico .... M	11.13	1.00	9.9	11.25	9.88	11.13	7.25	1,725	3.71	1.37	170.8	14.3	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Pollo Asa .... O	8.63	- .13	- 1.4	9.00	8.63	9.50	2.75	763	4.52	3.31	36.6	NE	.00	.0	.....	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.39)	NE
El Torito Rest .... N	17.75	.25	1.4	19.25	17.38	19.25	9.75	2,976	2.69	.74	263.5	17.4	.00	.0	.....	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper .... O	.63	- .06	- 9.1	0.75	0.63	1.63	.63	162	.27	.42	- 35.7	20.8	.00	.0	.....	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes .... M	6.25	- .38	- 5.7	6.63	6.13	9.13	5.13	1,042	1.50	2.19	- 31.5	NE	.00	.0	.....	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest .... O	2.50	.00	.0	3.50	2.50	7.38	2.50	180	1.20	.32	275.0	NE	.00	.0	.....	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	- 100.0
Fresher Cooker .... O	.88	- 1.00	- 53.3	1.13	0.25	6.75	.25	530	2.37	.80	196.3	NE	.00	.0	.....	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's .... A	23.63	- 1.38	- 5.5	25.00	23.63	25.50	13.00	68	.16	.24	- 33.3	20.0	.22	.9	.....	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc .... M	7.38	.25	3.5	7.63	7.00	15.13	6.38	2,660	4.09	4.60	- 11.1	NM	.00	.0	.....	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot .... M	2.81	.00	.0	2.94	2.69	6.38	1.63	1,299	2.17	1.87	16.0	NE	.00	.0	NEW	3 mos.	03-85	16.3	- 4.7	.4	NE	.07	NE	16.3	- 4.7	.4	NE	.07	NE
Good Taco .... M	.81	- .06	- 7.1	0.88	0.75	3.38	.25	371	1.25	2.25	- 44.4	NE	.00	.0	.....	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet .... O	15.00	- .25	- 1.6	15.75	15.00	15.25	10.50	17	.24	.29	- 17.2	8.1	.00	.0	.....	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger .... M	5.00	.00	.0	5.00	4.75	6.50	3.63	301	1.04	1.27	- 18.1	NE	.00	.0	.....	6 mos.	02-85	14.5	- 8.8	(.4)	- 100.0	(.12)	- 100.0	28.9	- 6.8	(.5)	- 100.0	(.16)	- 100.0
Intl Dairy Queen .... O	50.00	.00	.0	51.50	50.00	50.50	39.00	8	.04	.16	- 75.0	13.7	.00	.0	.....	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab .... M	19.00	- .75	- 3.8	19.75	19.00	24.75	13.41	385	1.35	2.83	- 52.3	14.2	.00a	.0	.....	6 mos.	12-84	18.2	4.0	.7	- 12.5	.27	3.8	37.4	5.4	1.8	12.5	.63	12.5
JB's Rest .... M	13.50	.13	.9	13.75	13.25	15.50	7.84	461	1.32	3.10	- 57.4	16.9	.16	1.2	.....	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc .... M	20.88	.13	.6	21.25	20.75	21.50	13.50	4,667	2.96	4.23	- 30.0	15.3	.12	.6	.....	9 mos.	03-85	122.3	.2	4.3	- 4.4	.27	- 6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp .... A	3.00	- .13	- 4.0	3.25	2.75	3.88	1.13	307	1.37	1.36	.7	4.7	.00	.0	.....	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl .... M	14.75	- 1.50	- 9.2	16.00	14.00	29.63	13.50	3,257	4.62	1.85	149.7	8.8	.00	.0	.....	6 mos.	07-84	80.7	17.1	3.3	- 2.9	.52	8.3	178.8	19.5	6.9	3.0	1.00	5.3
Kelly-Johnston .... M	.31	.00	.0	0.44	0.31	5.13	.25	1,242	1.46	2.82	- 48.2	NE	.00	.0	.....	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest .... A	2.25	.00	.0	2.38	2.25	3.63	1.75	273	.48	.46	4.3	NE	.00	.0	.....	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe .... N	30.25	- .25	- .8	30.63	29.75	32.50	24.00	533	.44	.71	- 38.0	19.9	.54	1.8	.....	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp .... M	17.75	- .50	- 2.7	18.13	17.63	18.25	12.13	197	.39	.51	- 23.5	11.5	.28	1.6	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp .... N	94.00	2.00	2.2	95.13	88.63	95.13	64.63	2,361	.92	.60	53.3	17.4	.54	.6	.....	3 mos.	03-85	874.2	17.5	27.7	20.4	1.04	25.3	874.2	17.5	27.7	20.4	1.04	25.3
Maverick Rest .... O	3.75	- .13	- 3.2	4.00	3.75	6.25	2.25	31	.06	.46	- 87.0	46.9	.00	.0	.....	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max & Erma's .... O	3.00	- .25	- 7.7	3.50	3.00	4.75	2.50	51	.28	.20	40.0	NE	.00	.0	.....	3 mos.	01-85	4.8	9.1	.1	NE	.03	NE	4.8	9.1	.1	NE	.03	NE
McDonald's Cp .... N	69.00	2.25	3.4	69.75	66.38	69.75	43.53	12,508	1.46	1.01	44.6	15.7	.90	1.3	.....	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures .... M	10.63	.00	.0	10.88	10.38	12.25	9.63	446	.91	.72	26.4	15.6	.00	.0	.....	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc .... M	19.88	.13	.6	19.88	19.50	20.25	14.00	972	.73	1.36	- 46.3	13.3	.48	2.4	.....	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak .... O	2.38	.13	5.6	2.50	2.25	3.13	1.13	474	.99	.89	11.2	NE	.00	.0	.....	3 mos.	12-84	13.9	- 9.2	.1	NC	.02	100.0	13.9	- 9.2	.1	NC	.02	100.0
Nankin Express .... O	.88	.00	.0	1.13	0.88	2.50	.88	105	.47	.85	- 44.7	NE	.00	.0	NEW	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans .... M	3.63	.00	.0	3.75	3.38	4.50	1.78	89	.40	.74	- 45.9	14.5	.00a	.0	.....	9 mos.	12-84	5.0	11.1	.1	.0	.03	- 57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza .... M	9.25	.00	.0	9.63	9.00	9.75	7.50	62	.11	.63	- 82.5	13.2	.00	.0	.....	fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc .... M	4.63	- .25	- 5.1	4.88	4.63	10.13	4.63	381	.84	2.72	- 69.1	NE	.00	.0	NEW	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman .... O	16.50	.00	.0	17.00	16.50	17.00	11.88	2	.03	.56	- 94.6	47.1	.00	.0	.....	3 mos.	03-85	4.7	4.4	(.1)	NC	(.21)	- 100.0	4.7	4.4	(.1)	NC	(.21)	- 100.0
1 Potato 2 .... O	1.75	.00	.0	1.88	1.75	11.00	1.25	93	.42	.83	- 49.4	35.0	.00	.0	.....	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC
Old Fashion Fd .... M	4.50	.00	.0	4.50	4.50	6.25	4.00	58	.41	.44	- 6.8	9.6	.00	.0	.....	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet .... M	8.00	.25	3.2	8.13	7.75	8.38	6.00	1,429	3.85	3.87	- .5	14.5	.13	1.6	.....	6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants .... M	.25	.00	.0	0.31	0.25	2.13	.25	2,537	2.94	2.04	44.1	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0

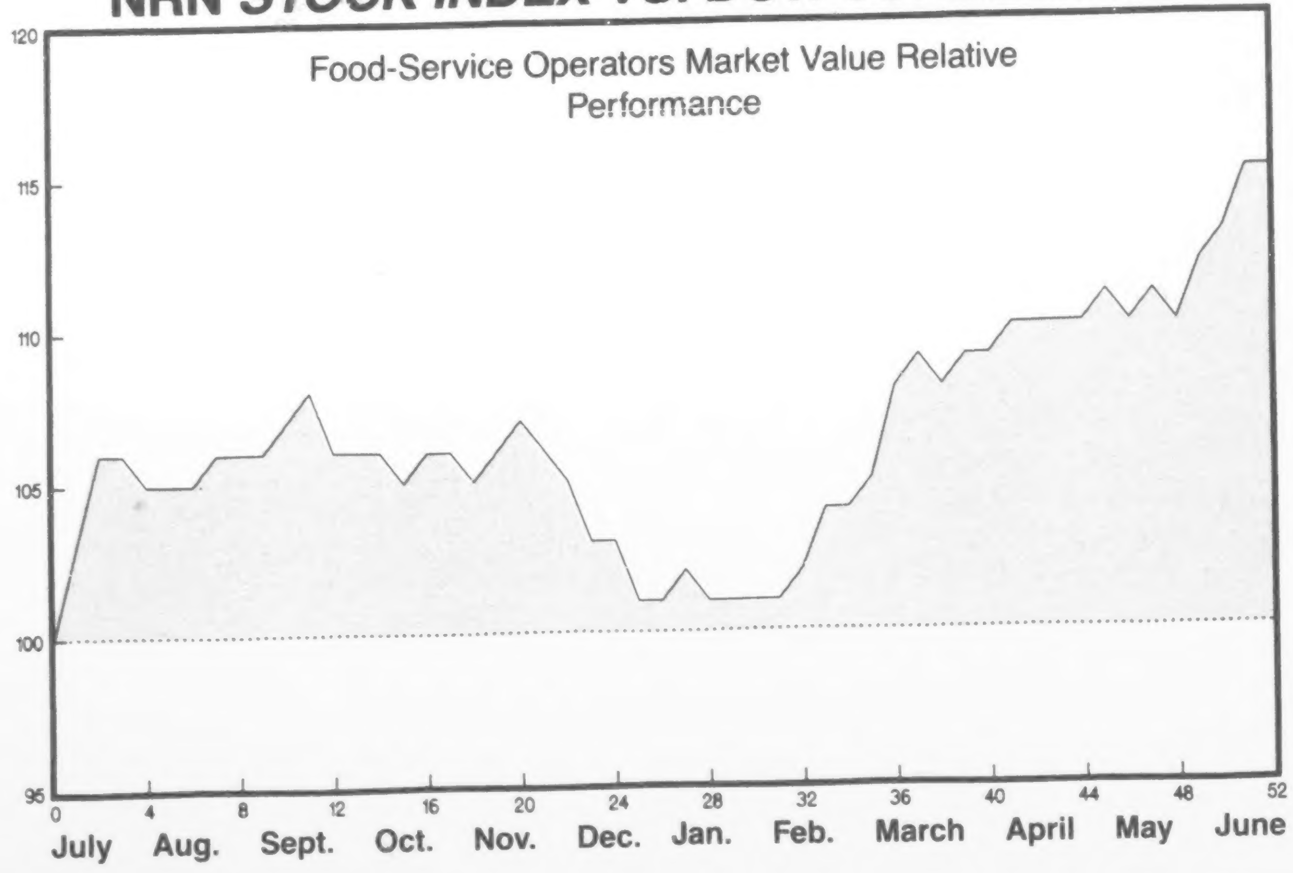
NRN STOCK INDEX

Food-Service Operators Market Value



NRN STOCK INDEX VS. DOW JONES INDEX

Food-Service Operators Market Value Relative Performance



Source: Media General Financial Services

Oct. 28, 1983 = 100

	Stock Market											Financial Update																	
	Price							Volume				P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	6-07-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Piccadilly Caf M	23.00	.00	.0	23.25	23.00	24.25	16.50	944	1.56	.94	66.0	14.6	.60	2.6	.....	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4
Pizza Inn A	8.00	.50	6.7	8.13	7.50	12.75	6.88	276	.91	.91	.0	26.7	.08	1.0	.....	3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6
Po-Folks M	9.50	- .50	- 5.0	10.00	9.25	16.63	8.75	615	1.39	.64	117.2	13.6	.00	.0	.....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys N	11.38	.00	.0	11.63	11.13	21.50	11.13	963	1.00	1.83	- 45.4	12.4	.40	3.5	.....	fiscal	02-85	132.6	- 5.4	(3.1)	- 100.0	(.36)	- 100.0	499.4	19.5	8.4	- 30.6	.92	- 39.1
Primo Inc O	1.88	- .13	- 6.3	2.13	1.88	4.63	1.88	385	1.14	.76	50.0	NE	.00	.0	.....	6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants M	8.50	- .75	- 8.1	9.25	8.50	16.38	7.75	292	.43	.72	- 40.3	20.7	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	8.50	.25	3.0	8.75	8.00	8.88	5.38	337	1.19	.61	95.1	15.5	.00	.0	.....	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Rest Mgmt M	16.75	- .75	- 4.3	17.75	16.75	17.75	9.00	509	3.20	1.50	113.3	19.5	.00	.0	.....	fiscal	10-84	6.6	15.8	.3	.0	.21	23.5	26.4	16.3	1.4	27.3	.86	22.9
Rest Systems M	15.25	1.00	7.0	15.25	13.75	16.50	9.25	195	.84	1.00	- 16.0	16.8	.00	.0	.....	3 mos.	03-85	11.0	5.8	.5	.0	.23	9.5	11.0	5.8	.5	.0	.23	9.5
Ritzys G D M	2.50	- .13	- 4.8	2.63	2.38	7.00	1.75	320	.62	.51	21.6	NE	.00	.0	.....	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican M	16.88	.00	.0	17.13	16.88	18.25	11.00	105	.37	.72	- 48.6	22.8	.00	.0	.....	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam M	18.25	.00	.0	18.25	17.75	19.25	11.34	728	1.05	1.54	- 31.8	33.2	.00	.0	.....	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp N	28.38	1.38	5.1	28.75	27.50	35.50	24.50	1,497	1.14	1.36	- 16.2	11.4	.52	1.8	.....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef M	7.25	.25	3.6	7.25	6.88	9.00	6.75	75	.59	.51	15.7	12.7	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	9.13	.13	1.4	9.25	8.88	10.63	6.50	993	2.72	3.35	- 18.8	4.2	.00	.0	.....	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc M	31.13	.13	.4	31.25	30.38	31.88	18.66	2,492	.88	1.06	- 17.0	27.3	.15	.5	.....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South M	13.00	- .38	- 2.8	13.38	13.00	16.59	11.41	731	1.30	1.25	4.0	12.3	.00	.0	.....	3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp M	4.75	.25	5.6	4.75	4.00	6.75	3.25	18	.12	.37	- 67.6	NE	.00	.0	.....	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	23.25	.25	1.1	23.50	23.00	24.00	12.00	474	.69	.93	- 25.8	16.7	.00	.0	.....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers M	10.50	.25	2.4	10.50	10.25	12.50	8.00	332	1.22	1.26	- 3.2	11.7	.06	.6	.....	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality M	5.38	.25	4.9	5.63	5.13	5.88	3.88	2,242	4.50	2.31	94.8	15.4	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	.75	- .03	- 4.0	0.84	0.72	1.44	.59	441	.29	.64	- 54.7	NE	.00	.0	.....	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	1.50	- .25	- 14.3	1.75	1.50	3.63	1.50	170	.53	.44	20.5	NE	.00	.0	.....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	5.75	.25	4.5	6.00	5.50	7.75	4.75	118	.30	.24	25.0	19.2	.00	.0	.....	fiscal	12-84	7.1	10.9	.3	.0	.07	- 12.5	28.6	12.2	1.2	9.1	.30	- 3.2
Taco Viva M	5.75	- .38	- 6.1	6.25	5.50	7.50	4.66	375	1.09	1.08	.9	16.9	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	11.13	- .38	- 3.3	11.63	11.13	12.88	7.88	517	.45	.54	- 16.7	16.6	.00	.0	.....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.25	.00	.0	2.50	2.25	3.50	2.25	40	.26	.07	271.4	NE	.00	.0	.....	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
Transworld N	38.00	- .25	- .7	38.50	37.63	39.00	25.13	12,004	3.37	2.14	57.5	12.4	.48	1.3	.....	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes M	4.38	.00	.0	4.50	4.25	5.75	2.75	381	.61	1.97	- 69.0	12.5	.28	6.4	.....	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants M	27.13	- .38	- 1.4	28.38	27.00	28.25	13.25	3,198	4.80	5.84	- 17.8	20.4	.12	.4	.....	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations M	2.88	- .13	- 4.2	3.25	2.88	7.38	2.13	1,855	5.23	2.89	81.0	NE	.00	.0	.....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	18.75	- .13	- .7	19.13	18.13	19.13	11.72	9,038	1.23	1.47	- 16.3	19.5	.21	1.1	.....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer O	9.00	- .75	- 7.7	10.50	9.00	12.00	9.00	1	.01	.33	- 97.0	15.0	.20	2.2		fiscal	02-85	14.4	26.3	.2	- 33.3	.22	15.8	45.4	25.8	.7	- 41.7	.60	- 41.2
Winners Cp N	7.00	.25	3.7	7.00	6.63	13.38	5.13	574	1.28	1.64	- 22.0	50.0	.00	.0	.....	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	3.50	.50	16.7	3.50	3.00	5.63	1.88	1,731	1.31	.97	35.1	NE	.10	2.9	.....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	67.75	1.25	1.9	69.00	66.00	73.50	45.50	1,474	.59	2.25	- 73.8	14.9	1.80	2.7	.....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	54.38	- 2.00	- 3.5	56.38	54.13	57.63	35.25	2,996	1.04	1.80	- 42.2	13.7	1.00	1.8	.....	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn N	30.75	.38	1.2	32.75	30.38	32.75	13.69	2,595	1.35	.94	43.6	27.2	.09	.3	.....	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns N	6.75	- .38	- 5.3	7.13	6.63	8.25	5.13	3,976	1.07	1.91	- 44.0	84.4	.00	.0		3 mos.	03-85	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0
Servico Inc M	21.50	.00	.0	21.50	21.00	22.28	14.78	111	.32	.60	- 46.7	13.6	.00a	.0	.....	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl M	24.00	.50	2.1	24.00	22.00	27.00	18.00	19	.12	.09	33.3	8.1	.40	1.7	.....	3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev M	19.25	- 1.25	- 6.1	20.63	18.88	22.63	14.25	2,748	4.57	3.12	46.5	19.1	.40	2.1	.....	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut N	7.88	- .25	- 3.1	8.25	7.88	11.75	7.25	307	.65	1.31	- 50.4	98.4	.48	6.1	.....	6 mos.	01-85	30.7	7.0	.2	100.0	.04	33.3	57.2	- 1.7	.3	- 57.1	.07	- 53.3
Disney, Walt N	86.75	- .25	- .3	87.50	86.13	89.75	45.25	2,616	.79	1.45	- 45.5	60.2	1.20	1.4	.....	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods O	2.38	.38	18.8	2.63	2.00	2.75	1.13	212	.90	.76	18.4	NE	.00	.0		fiscal	12-84	4.1	51.9	(1.2)	NC	(.54)	- 100.0	13.9	32.4	(1.3)	- 100.0	(.56)	- 100.0
Gen Mills N	59.25	- .75	- 1.3	60.25	57.63	60.63	47.75	8,287	1.87	1.96	- 4.6	35.1	2.24	3.8	.....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	43.25	.63	1.5	43.50	42.13	44.50	38.50	3,757	.77	.92	- 16.3	11.4	2.80	6.5	.....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	10.13	- .25	- 2.4	10.38	9.88	16.44	8.63	1,102	.89	1.29	- 31.0	14.3	.00a	.0	.....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp N	29.63	.50	1.7	29.75	28.88	31.88	24.13	1,318	.69	.74	- 6.8	14.3	1.80	6.1	.....	3 mos.	03-85	574.3	8.6	12.0	2.6	.63	3.3	574.3	8.6	12.0	2.6	.63	3.3
PepsiCo Inc N	60.00	1.75	3.0	60.13	58.25	60.13	39.88	22,762	2.37	2.24	5.8	15.7	1.78	3.0	.....	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co N	55.63	1.00	1.8	56.25	53.75	56.25	34.50	5,014	1.16	.76	52.6	12.6	1.56	2.8	.....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Vie de France M	9.25	- .75	- 7.5	9.75	9.00	15.25	9.25	1,438	1.33	.94	41.5	15.7	.23	2.5	.....	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

Reporting Period

3 mos. - First quarter of fiscal year
6 mos. - First six months of fiscal year
9 mos. - First nine months of fiscal year
fiscal - Fiscal year
NEW - New report since last issue

General Field Footnotes

NA - Not available or not applicable.
NC - Data required for calculation currently incomplete in our files.
NE - Negative earnings invalidate calculations.
NM - No meaningful figure.
a - Under dividend amount, an 'a' indicates a stock dividend.
b - Indicates cash plus stock dividend when applied to dividend amount column.

Market

N - New York Stock Exchange
A - American Stock Exchange
O - NASDAQ Over-the-Counter
M - NASDAQ National Market

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

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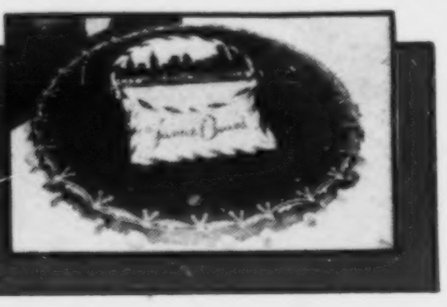
Downtown Detroit shifts into high gear —Page 3

Top chefs join to salute Beard —Page 16



Nation's
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Fresher Cooker files for Chapter 11

Fails to secure needed funding

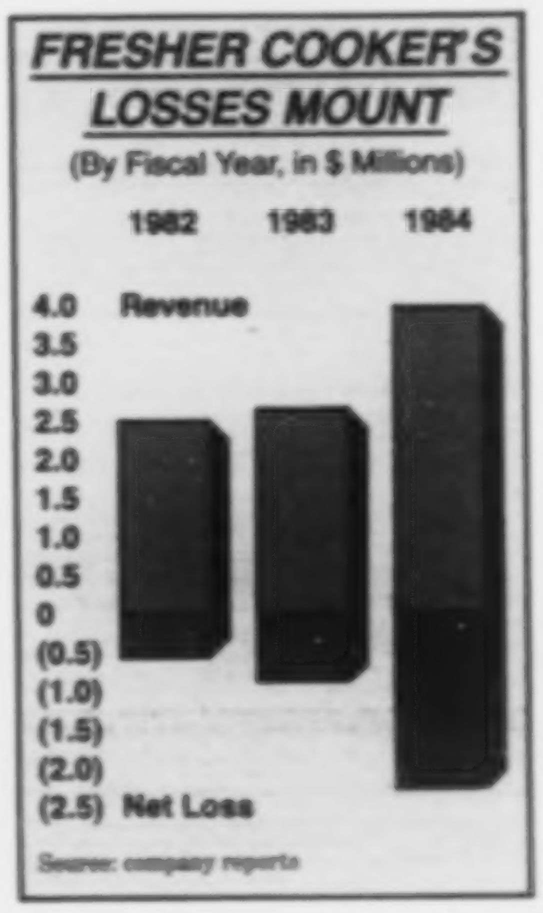
By Don Jeffrey

LOUISVILLE, Ky. — Fresher Cooker's filing for Chapter 11 creditor protection is the most serious sign so far that the so-called healthy segment is experiencing severe growing pains.

After failing to secure $4 million in private placement financing, the now 12-unit fast-food chain was forced to file for reorganization.

At the same time, Kentucky Fried Chicken, its most prestigious franchisee, terminated its plan to develop the concept.

*(See **FRESHER**, page 55)*



Jack in the Box LBO plan collapses as lenders balk

Declining earnings cited

By Richard Martin

SAN DIEGO — Ralston Purina may be forced to trim $50 million to $125 million from the price tag on its Foodmaker/Jack in the Box subsidiary now that lenders have apparently refused to back the proposed $500 million leveraged buyout of the 800-unit fast feeder.

On June 7 Ralston and principal buyer Forstmann Little & Co., a New York investment banker, cited unfavorable economic conditions in the industry and declining Foodmaker earnings in terminating their agreement.

The deal was first disclosed in late April and described by the parties as "definitive" in early May.

A terse "no comment" response to inquiries on the collapsed LBO proposal was issued on behalf of Foodmaker president and chief executive Jack Goodall, one of 10 Foodmaker executives who would have shared a 20% equity interest in the company.

"The word is out from the people who own this company: We talk to nobody," said one Foodmaker executive, who asked not to be identified.

Ralston Purina officials in St. Louis refused to say whether negotiations have been resumed with other potential buyers. "If they are

*(See **FOODMAKER**, page 55)*

Foodmaker Inc., San Diego
- Operates 727 Jack in the Box fast-food restaurants, franchises 61 to others
- 1984 revenue: $628 million, down 16.3% (mostly a result of sale of 71 dinnerhouses in February 1984)
- 1984 operating profit: $61.4 million, up 16%
- Ownership: Ralston Purina Co., St. Louis, Mo., the world's largest producer of pet foods and commercial feed for livestock

USACafes is selling its Shakey's interest

By Ken Frydman

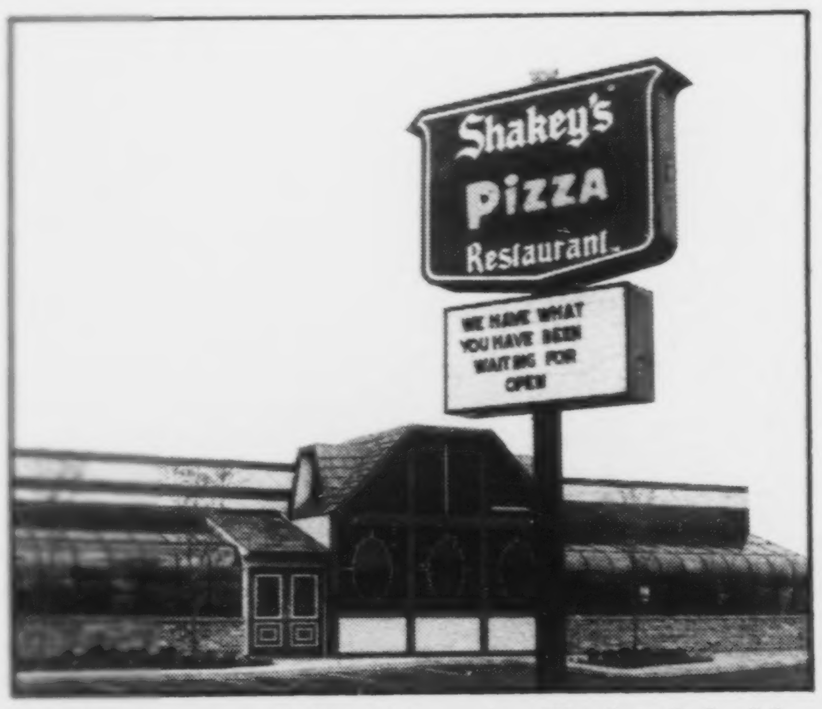
DALLAS — What seemed like a perfect marriage just a year ago ended this month in an application for divorce when USACafes put its 36% ownership of Shakey's Pizza Inc. on the sales block.

"This was strictly a bottom-line decision," explained Tom Buckley, USACafes' executive vice president and chief financial officer. "Shakey's just hasn't performed up to our operational or financial expectations."

After earning a $139,000 profit on its one-third slice of the 300-unit pizza chain in the last half of fiscal 1984, USACafes lost $253,000 during the first two quarters of fiscal 1985.

As USACafes negotiates the divestiture, Shakey's principals, Gary Brown and Jay Halverson, have ex-

*(See **SHAKEY'S**, page 55)*



USACafes lost $253,000 on its Shakey's holdings in the first half of fiscal 1985.

Sales up in May, says Commerce

By Rick Telberg

WASHINGTON — In a sharp reversal of previous estimates, sales at the nation's eating and drinking places rebounded spritely in May, according to the Government's earliest and broadest gauge of retail trade.

That is sure to hearten operators who have been saying that customer traffic has been weak for about a year.

Analysts, however, remain cautious about the outlook, despite the Advance Monthly Retail Sales report from the U.S. Commerce Department Census Bureau, which shows food-

*(See **REBOUND**, page 55)*

INSIDE NRN

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David hosts final-night party for loyal patrons F5

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4520 EAST-WEST HIGHWAY
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NEWSPAPER
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Telberg

Hill: Back to the front lines

Leaves Gilbert/Robinson to run single-unit bakery

KANSAS CITY, Mo. — It's become a classic corporate scenario: a high-ranking executive grows weary of shuffling papers and handling tedious administrative duties. After years at the top of the company ladder, he yearns for something different and finally leaves to pursue an entrepreneurial opportunity.

Behind Kenneth Hill's decision to relinquish the presidency of Gilbert/Robinson after a dozen years at the company's helm was a "desire to get involved with something I can get hands-on control of."

His new hands-on project is a single-unit fast-food bakery operation called T. J. Cinnamon's. He may be leaving Gilbert/Robinson, but he is not leaving Kansas City; T. J. Cinnamon's is based here also.

"Gilbert/Robinson is so big and established that it basically runs itself today," Hill said. "Besides, I got tired of the administrative work, like numbers and reports. That isn't the exciting part of this industry."

Hill will stay on with Gilbert/Robinson—owner and operator of Houlihan's, Bristol Bar & Grill and several other casual-theme restaurants—"as long as they need me." His seven-year contract expires in November.

Reaction within Gilbert/Robinson to Hill's decision was "complete shock," he said. "People are stunned because I didn't tell anyone of my plans even though I've been thinking about this for several

*(See **HILL**, page 55)*

Kenneth Hill

NRN Index slips 1.4 to 129.7; losers whip gainers

By Don Jeffrey

NEW YORK — After four consecutive weeks of record closings, the *Nation's Restaurant News* Food-Service Operators Stock Index slipped 1.4 points in the week ended June 14 and closed at 129.7.

The Dow Jones Industrial Average, which hit a record 1,327.28 in the previous week, closed June 14 at 1,300.96, a 15.46-point decline in one week. Technology issues led the decline after IBM announced that nine-month profits would be down.

On *NRN*'s complete, 116-issue stock listing, only 27 issues advanced in price, while 64 declined and 25 were unchanged. Seventy-seven issues traded at lower volume than the previous 12-week average, and only 39 traded higher.

JB's Restaurants led the volume surgers, as 1,075,800 shares traded hands, a 461.8% increase over the average. JB's said it sold out a 1.1 million share offering at $13.50 a share. The stock closed at $13.75 for the week, up 25¢.

Fresher Cooker was the biggest percentage price decliner of the week, down 25¢, or 28.6%, to close at 63¢. The Louisville-based company announced that it had filed for creditor protection under Chapter 11.

Issues that closed the week at 52-week lows included: Folks Restaurants, $2.50; Nankin Express, 63¢; Primo Inc., $1.75; TGIF Texas, $2.25, and Restec Systems, $3.50.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

JB's Rest M	461.8	El Chico M	134.9
TGI Friday's N	393.9	El Torito Rest N	129.6
Dunkin Donuts M	336.1	Calibre Cp M	123.4
Max & Erma's O	195.7	Consol Prdts M	103.3
Fresher Cooker O	191.9	Rest Assoc A	87.0

TOP TEN GAINERS

(Weekly Price Change, in %)

Calibre Cp M	35.3	Swensens Inc O	8.3
Peo Restaurants M	25.0	Assoc Hosts M	6.7
Kelly-Johnston M	20.0	Po-Folks M	6.6
Esteban Foods O	10.5	Ch Full O Nut N	6.3
Fast Food Oper O	10.0	DLites Of Amer M	5.7

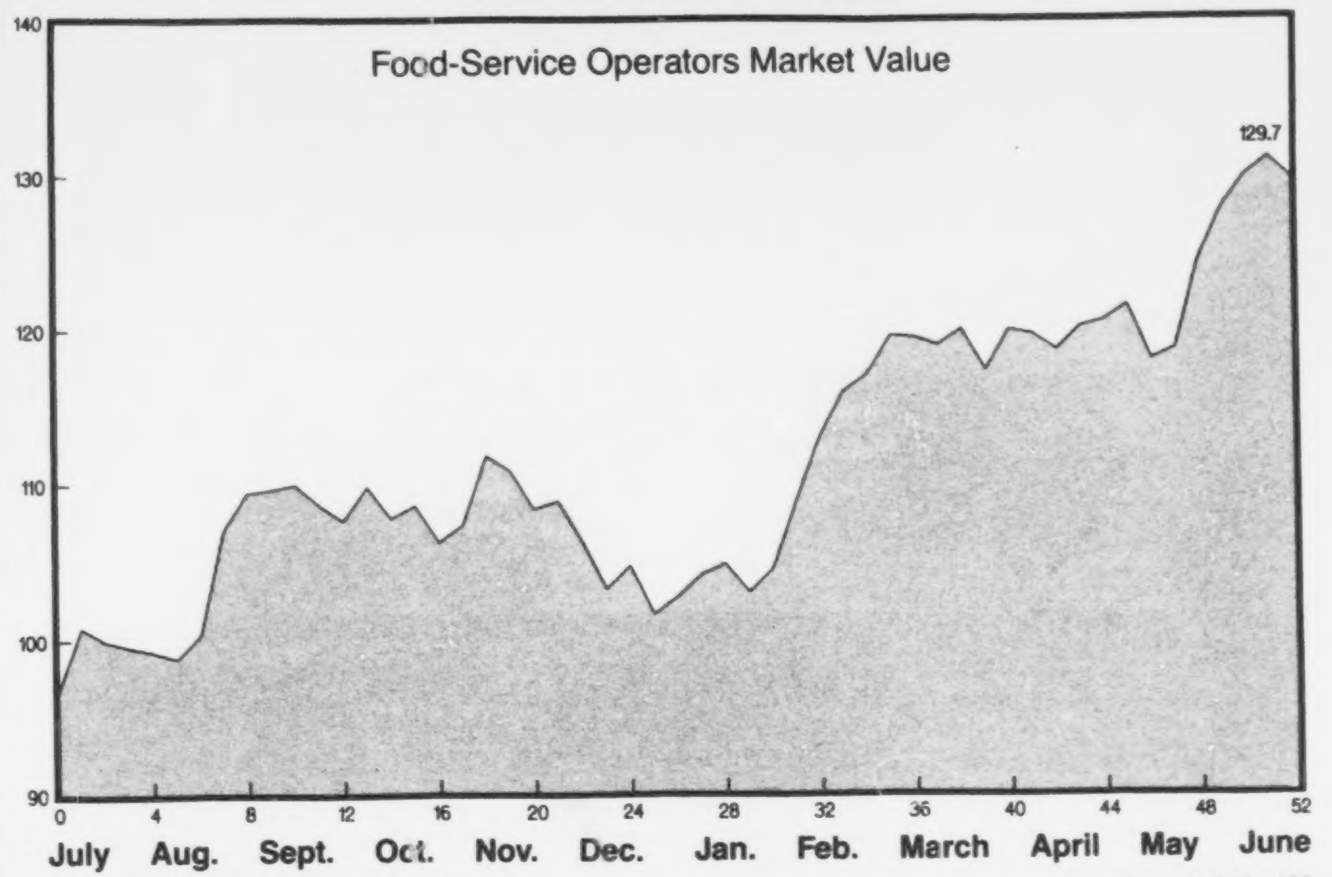
TOP TEN LOSERS

(Weekly Price Change, in %)

Nankin Express O	-28.6	Vicorp Restaurants M	-9.2
Fresher Cooker O	-28.6	Stuf Yer Face O	-8.3
Consul Restaurant M	-21.1	Flakey Jakes M	-8.0
Mr Steak O	-15.8	TGI Friday's N	-7.9
Vie de France M	-9.5	Good Taco M	-7.7

Company and Market	Stock Market											Financial Update																	
	Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
	6-14-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	6.00	-.13	-2.0	6.25	5.75	7.13	3.50	240	.67	.81	-17.3	18.2	.00	.0	—	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests M	4.75	-.13	-2.6	4.75	4.63	5.38	3.50	67	.27	.74	-63.5	16.4	.00	.0	—	3 mos.	01-85	9.5	13.1	(.1)	NE	(.03)	NE	9.5	13.1	(.1)	NE	(.03)	NE
Am Restaurants O	4.00	.00	.0	4.13	4.00	6.00	2.38	34	.15	.31	-51.6	30.8	.00	.0	—	fiscal	01-85	4.5	4.7	.0	-100.0	.01	-85.7	18.1	19.9	.3	-25.0	.13	-51.9
Assoc Hosts M	11.88	.75	6.7	11.88	11.00	17.13	10.88	594	1.34	1.80	-25.6	16.0	.12	1.0	—	6 mos.	03-85	22.9	-5.8	.7	-36.4	.16	-36.0	45.4	-3.6	1.4	-26.3	.32	-25.6
Benihana Natl M	20.00	.00	.0	20.25	19.38	21.75	10.75	1,139	3.92	4.74	-17.3	18.7	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	20.75	.00	.0	20.75	20.25	21.13	14.75	1,035	.64	.73	-12.3	18.7	.30	1.4	—	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp M	2.88	.75	35.3	2.88	1.88	5.13	.63	318	1.05	.47	123.4	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	11.63	-.38	-3.1	11.88	11.50	13.25	8.00	919	2.03	2.28	-11.0	17.1	.16	1.4	—	fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab M	1.94	.00	.0	1.94	1.81	3.25	1.38	1,344	.88	2.04	-56.9	NE	.00	.0	—	3 mos.	11-84	1.6	166.7	(.6)	NC	(.04)	NC	1.6	166.7	(.6)	NC	(.04)	NC
Carrols Cp N	8.75	-.50	-5.4	9.13	8.75	11.50	7.88	310	.40	.70	-42.9	11.8	.07	.8	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chefs Intl O	.50	.00	.0	0.63	0.50	1.06	.38	455	.23	.44	-47.7	NE	.00	.0	—	fiscal	01-85	4.0	-18.4	(1.8)	NE	(.09)	NE	20.9	-4.1	(2.7)	NE	(.14)	NE
Chi-Chi's M	10.25	-.63	-5.7	10.75	10.00	18.25	9.38	12,804	4.75	2.62	81.3	16.3	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	-40.9	.10	-28.6	149.2	27.3	12.1	-2.4	.45	-6.3
Chili's Inc M	26.75	.00	.0	26.75	26.25	28.88	12.75	964	2.07	2.48	-16.5	34.7	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch N	17.88	-.50	-2.7	18.50	17.38	20.25	12.63	6,207	1.65	1.26	31.0	15.4	.44	2.5	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods N	21.63	-.25	-1.1	22.13	21.50	23.00	11.75	1,148	.87	.85	2.4	15.7	.16	.7	—	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev O	15.75	-1.00	-6.0	16.13	15.75	16.75	5.75	2,865	5.54	3.48	59.2	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	-100.0	(.23)	-100.0	30.2	9.4	(1.2)	-100.0	(.23)	-100.0
Consol Prdts M	4.25	.13	3.0	4.25	4.13	5.88	4.00	202	.61	.30	103.3	12.9	.08	1.9	—	6 mos.	03-85	18.6	-4.6	.0	NC	(.02)	NC	33.8	-3.4	.3	-25.0	.08	-20.0
Consul Restaurant M	3.75	-1.00	-21.1	4.38	3.63	13.50	3.63	1,160	2.55	1.93	32.1	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	-100.0	(.72)	-100.0	63.0	32.6	(3.7)	-100.0	(.82)	-100.0
Cracker Barrel M	13.00	-.25	-1.9	13.00	12.50	23.50	11.75	274	.77	1.26	-38.9	18.1	.14	1.1	—	9 mos.	04-85	16.0	16.8	.3	-40.0	.07	-61.1	46.8	18.2	.9	-35.7	.26	-50.0
Cucos Inc O	4.75	.00	.0	5.25	4.75	5.75	2.75	13	.07	.31	-77.4	36.5	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods M	11.38	-.25	-2.2	11.63	11.25	14.63	8.00	16,899	5.01	7.51	-33.3	27.7	.34	3.0	—	3 mos.	03-85	128.2	2.0	1.3	-76.8	.04	-76.5	128.2	2.0	1.3	-76.8	.04	-76.5
DLites Of Amer M	11.50	.63	5.7	11.63	10.63	15.50	10.63	1,525	3.00	2.90	3.4	88.5	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts M	23.88	1.25	5.5	24.50	22.63	23.88	13.25	6,731	9.42	2.16	336.1	17.7	.24	1.0	—	6 mos.	04-85	.7	-96.8	2.8	16.7	.38	15.2	24.7	-41.3	5.4	14.9	.74	15.6
El Chico M	10.75	-.38	-3.4	11.13	10.63	11.13	7.25	1,583	3.43	1.46	134.9	13.8	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	-5.0	61.8	7.1	2.7	.0	.58	-3.3
El Pollo Asa O	8.50	-.13	-1.4	8.63	8.00	9.50	2.75	317	1.88	3.29	-42.9	NE	.00	.0	—	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.39)	NE
El Torito Rest N	18.00	.25	1.4	18.50	17.25	19.25	9.75	2,057	1.86	.81	129.6	17.6	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper O	.69	.06	10.0	0.75	0.69	1.63	.63	243	.41	.44	-6.8	22.9	.00	.0	—	fiscal	12-84	2.0	25.0	.0	-100.0	.00	-100.0	8.0	31.1	.2	-33.3	.03	-50.0
Flakey Jakes M	5.75	-.50	-8.0	6.00	5.50	9.13	5.13	1,812	2.62	1.95	34.4	NE	.00	.0	—	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest O	2.50	.00	.0	3.50	2.50	7.38	2.50	1	.01	.27	-96.3	NE	.00	.0	—	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	-100.0
Fresher Cooker O	.63	-.25	-28.6	1.00	0.50	6.75	.25	645	2.89	.99	191.9	NE	.00	.0	—	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's A	24.13	.50	2.1	24.25	23.13	25.50	13.31	120	.27	.24	12.5	20.4	.22	.9	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc M	6.88	-.50	-6.8	6.88	6.50	15.13	6.38	1,922	2.95	4.40	-33.0	NM	.00	.0	—	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot M	2.88	.06	2.2	2.88	2.81	6.00	1.63	1,437	2.40	1.62	48.1	NE	.00	.0	—	3 mos.	03-85	16.3	-4.7	.4	NE	.07	NE	16.3	-4.7	.4	NE	.07	NE
Good Taco M	.75	-.06	-7.7	0.88	0.75	3.25	.25	155	.52	2.03	-74.4	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet O	14.25	-.75	-5.0	15.25	14.25	15.25	10.50	9	.13	.29	-55.2	7.7	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	-11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	4.63	-.38	-7.5	5.00	4.63	6.50	3.63	284	.99	1.07	-7.5	NE	.00	.0	—	6 mos.	02-85	14.5	-8.8	(.4)	-100.0	(.12)	-100.0	28.9	-6.8	(.5)	-100.0	(.16)	-100.0
Intl Dairy Queen O	50.50	.50	1.0	53.00	50.00	50.50	39.00	5	.03	.15	-80.0	13.9	.00	.0	—	3 mos.	02-85	27.2	-2.2	.8	14.3	.38	18.8	27.2	-2.2	.8	14.3	.38	18.8
Intl King Tab M	18.75	-.25	-1.3	19.25	18.75	24.75	13.41	349	1.21	2.82	-57.1	13.4	.00a	.0	—	9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest M	13.75	.25	1.9	13.88	13.50	15.50	7.84	10,758	30.73	5.47	461.8	17.2	.16	1.2	—	6 mos.	03-85	18.0	35.3	.3	.0	.07	-22.2	36.7	38.5	.9	.0	.24	-4.0
Jerrico Inc M	20.63	-.25	-1.2	20.88	20.50	21.50	13.50	3,763	2.38	4.21	-43.5	15.2	.12	.6	—	9 mos.	03-85	122.3	.2	4.3	-4.4	.27	-6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp A	3.00	.00	.0	3.00	2.88	3.88	1.13	235	1.05	1.39	-24.5	4.7	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	14.00	-.75	-5.1	14.50	13.75	29.63	13.50	2,039	2.88	1.96	46.9	8.1	.00	.0	—	9 mos.	10-84	77.3	9.5	1.4	-48.1	.20	-48.7	256.1	16.3	10.2	8.5	1.44	7.5
Kelly-Johnston M	.38	.06	20.0	0.44	0.31	5.00	.25	377	.44	2.63	-83.3	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	-100.0	.44	193.3	60.3	93.9	(13.5)	-100.0	.00	-100.0
Lifestyle Rest A	2.38	.13	5.6	2.38	2.25	3.63	1.75	197	.35	.45	-22.2	NE	.00	.0	—	3 mos.	01-85	17.1	-10.9	(2.5)	NE	(.44)	NE	17.1	-10.9	(2.5)	NE	(.44)	NE
Luby's Cafe N	30.88	.63	2.1	30.88	30.00	32.50	24.00	376	.31	.69	-55.1	20.3	.54	1.7	—	6 mos.	02-85	45.2	15.0	4.0	11.1	.33	10.0	92.0	19.3	8.3	15.3	.69	15.0
Marcus Corp M	17.63	-.13	-.7	17.88	17.50	18.25	12.13	163	.32	.52	-38.5	11.4	.28	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	93.75	-.25	-.3	94.25	92.75	95.13	64.88	1,705	.66	.59	11.9	17.4	.54	.6	—	3 mos.	03-85	874.2	17.5	27.7	20.4	1.04	25.3	874.2	17.5	27.7	20.4	1.04	25.3
Maverick Rest O	3.50	-.25	-6.7	3.75	3.50	6.25	2.25	83	.17	.43	-60.5	43.8	.00	.0	—	fiscal	01-85	2.6	62.5	(.2)	-100.0	(.05)	-100.0	10.9	73.0	.4	-33.3	.08	-38.5
Max & Erma's O	3.00	.00	.0	3.25	3.00	4.75	2.50	122	.68	.23	195.7	NE	.00	.0	—	3 mos.	01-85	4.8	9.1	.1	NE	.03	NE	4.8	9.1	.1	NE	.03	NE
McDonald's Cp N	66.88	-2.13	-3.1	69.00	65.50	69.75	44.59	8,936	1.04	1.01	3.0	15.2	.90	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures M	10.50	-.13	-1.2	10.88	10.50	12.25	9.63	44	.09	.65	-86.2	15.4	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc M	19.75	-.13	-.6	19.88	19.75	20.25	15.50	1,508	1.14	1.36	-16.2	13.2	.48	2.4	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak O	2.00	-.38	-15.8	2.38	2.00	3.13	1.13	646	1.35	.94	43.6	NE	.00	.0	—	3 mos.	12-84	13.9	-9.2	.1	NC	.02	100.0	13.9	-9.2	.1	NC	.02	100.0
Nankin Express O	.63	-.25	-28.6	0.88	0.63	2.38	.63	255	1.13	.81	39.5	NE	.00	.0	—	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans M	3.63	.00	.0	3.75	3.50	4.50	1.91	182	.82	.74	10.8	14.5	.00a	.0	—	9 mos.	12-84	5.0	11.1	.1	.0	.03	-57.1	17.2	8.2	.9	28.6	.39	18.2
Natl Pizza M	9.50	.25	2.7	9.75	9.25	9.75	7.50	138	.25	.64	-60.9	13.6	.00	.0	—	fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc M	4.63	.00	.0	4.63	4.50	10.13	4.50	285	.63	2.53	-75.1	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	16.50	.00	.0	17.00	16.50	17.00	11.88	28	.46	.55	-16.4	47.1	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.21)	-100.0	4.7	4.4	(.1)	NC	(.21)	-100.0
1 Potato 2 O	1.63	-.13	-7.1	1.88	1.63	10.75	1.25	85	.39	.75	-48.0	32.5	.00	.0	—	9 mos.	11-84	3.9	NC	(.5)	NC	(.25)	NC	11.0	NC	(1.5)	NC	(.69)	NC
Old Fashion Fd M	4.50	.00	.0	5.00	4.50	6.00	4.00	89	.64	.46	38.1	9.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	-28.6	10.3	30.4	.5	-16.7	.34	-22.7
Pancho Mex Buffet M	7.88	-.13	-1.6	8.00	7.63	8.38	6.00	878	2.36	3.18	-25.8	14.3	.13	1.7	—	6 mos.	03-85	8.5	11.8	.4	.0	.11	-8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants M	.31	.06	25.0	0.31	0.25	2.00	.25	822	.95	1.83	-48.1	NE	.00	.0	—	6 mos.	12-84	5.5	-69.6	(17.1)	NE	(1.97)	NE	13.8	-54.0	(20.4)	-100.0	(2.36)	-100.0

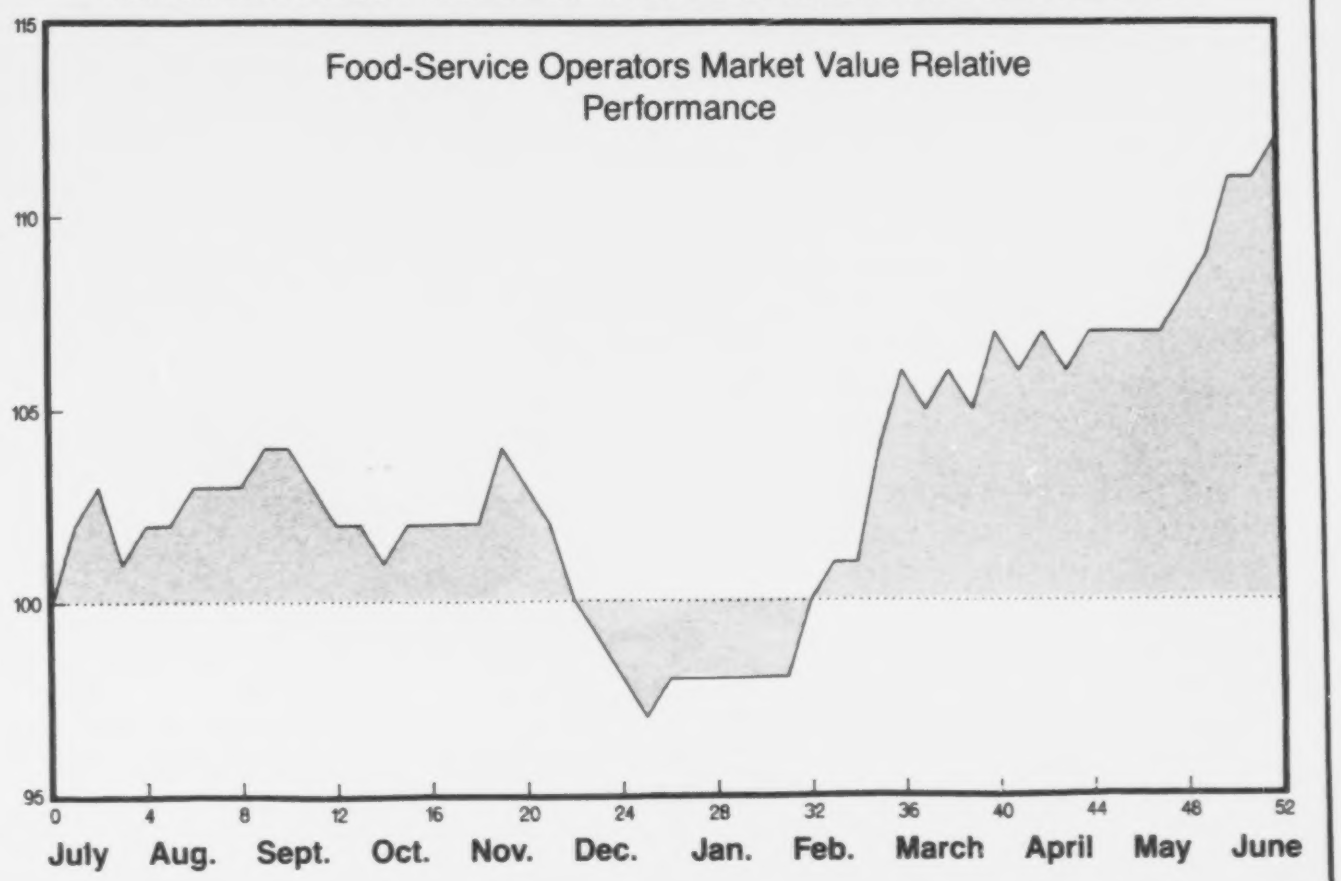
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



Company and Market	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	6-14-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Piccadilly Caf .... M	22.75	- .25	- 1.1	22.75	22.38	24.25	16.50	416	.69	.94	- 26.6	14.4	.60	2.6	.....	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4
Pizza Inn .... A	7.88	- .13	- 1.6	8.25	7.75	12.75	6.88	228	.75	.84	- 10.7	26.3	.08	1.0	.....	3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6
Po-Folks .... M	10.13	.63	6.6	10.25	9.63	16.63	8.75	365	.83	.67	23.9	14.5	.00	.0	.....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys .... N	11.13	- .25	- 2.2	11.25	10.88	21.50	10.88	1,425	1.48	1.75	- 15.4	24.7	.40	3.6		3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc .... O	1.75	- .13	- 6.7	2.00	1.75	4.63	1.75	139	.41	.71	- 42.3	NE	.00	.0	.....	6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants .... M	8.50	.00	.0	8.75	8.25	16.38	7.75	245	.36	.71	- 49.3	20.7	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc .... A	8.63	.13	1.5	8.88	8.50	8.88	5.38	284	1.01	.54	87.0	15.7	.00	.0	.....	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Rest Mgmt .... M	16.00	- .75	- 4.5	17.00	15.50	17.75	9.00	487	3.06	1.66	84.3	18.6	.00	.0	.....	fiscal	10-84	6.6	15.8	.3	.0	.21	23.5	26.4	16.3	1.4	27.3	.86	22.9
Rest Systems .... M	15.25	.00	.0	15.25	14.50	16.50	9.75	79	.34	.93	- 63.4	16.8	.00	.0	.....	3 mos.	03-85	11.0	5.8	.5	.0	.23	9.5	11.0	5.8	.5	.0	.23	9.5
Ritzys G D .... M	2.50	.00	.0	2.50	2.25	7.00	1.75	410	.79	.55	43.6	NE	.00	.0	.....	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican .... M	17.00	.13	.7	17.13	16.88	18.25	11.00	53	.19	.70	- 72.9	23.0	.00	.0	.....	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam .... M	18.00	- .25	- 1.4	18.25	17.75	19.25	11.34	387	.56	1.50	- 62.7	32.7	.00	.0	.....	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp .... N	27.38	- 1.00	- 3.5	29.00	27.13	35.50	24.50	923	.70	1.30	- 46.2	11.0	.52	1.9	.....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef .... M	7.25	.00	.0	7.25	7.00	9.00	6.75	107	.85	.55	54.5	12.7	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley .... M	9.00	- .13	- 1.4	9.13	8.75	10.63	6.50	371	1.02	2.78	- 63.3	4.2	.00	.0	.....	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc .... M	29.50	- 1.63	- 5.2	31.00	29.25	31.88	19.03	4,650	1.64	.92	78.3	25.9	.15	.5	.....	3 mos.	01-85	150.0	15.8	8.3	27.7	.29	20.8	150.0	15.8	8.3	27.7	.29	20.8
Shoney's South .... M	13.25-	.25	1.9	13.38	13.00	16.59	12.00	269	.48	1.22	- 60.7	12.5	.00	.0	.....	3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp .... M	4.75	.00	.0	4.75	3.75	6.75	3.25	17	.11	.37	- 70.3	NE	.00	.0	.....	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl .... M	23.25	.00	.0	23.75	23.25	24.00	12.00	785	1.14	1.00	14.0	16.7	.00	.0	.....	9 mos.	01-85	37.8	12.8	2.0	33.3	.29	26.1	116.9	11.5	7.0	27.3	1.03	27.2
Skippers .... M	10.25	- .25	- 2.4	10.63	10.25	12.50	8.00	178	.65	1.22	- 46.7	11.4	.06	.6	.....	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality .... M	5.38	.00	.0	5.50	5.13	5.88	3.88	1,592	3.19	2.31	38.1	15.4	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face .... O	.69	- .06	- 8.3	0.81	0.69	1.44	.59	292	.19	.56	- 66.1	NE	.00	.0	.....	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc .... O	1.63	.13	8.3	1.88	1.50	3.50	1.50	144	.45	.41	9.8	NE	.00	.0	.....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa .... O	5.50	- .25	- 4.3	6.00	5.50	7.75	4.75	38	.10	.24	- 58.3	19.0	.00	.0		3 mos.	03-85	8.8	22.2	.3	.0	.07	- 12.5	8.8	22.2	.3	.0	.07	- 12.5
Taco Viva .... M	5.88	.13	2.2	5.88	5.50	7.50	4.66	289	.84	1.08	- 22.2	17.3	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's .... N	10.25	- .88	- 7.9	11.25	10.13	12.88	7.88	3,772	3.26	.66	393.9	15.3	.00	.0	.....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas .... O	2.25	.00	.0	2.50	2.25	3.50	2.25	1	.01	.06	- 83.3	NE	.00	.0	.....	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
TCBY .... M	18.75	.00	.0	18.75	15.75	20.50	1.41	1,740	3.99	4.88	- 18.2	78.1	.00	.0	.....	3 mos.	02-85	2.0	185.7	.2	NC	.04	300.0	2.0	185.7	.2	NC	.04	300.0
Transworld .... N	38.13	.13	.3	38.75	37.75	39.00	25.13	2,400	.67	2.08	- 67.8	12.4	.48	1.3	.....	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes .... M	4.25	- .13	- 2.9	4.38	4.13	5.75	2.75	186	.30	1.79	- 83.2	12.1	.28	6.6	.....	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants .... M	24.63	- 2.50	- 9.2	26.88	24.63	28.25	13.25	3,565	5.36	6.06	- 11.6	18.5	.12	.5	.....	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations .... M	3.00	.13	4.3	3.00	2.88	7.38	2.13	616	1.74	2.97	- 41.4	NE	.00	.0	.....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl .... N	18.13	- .63	- 3.3	18.75	17.88	19.13	11.81	5,934	.81	1.41	- 42.6	18.9	.21	1.2	.....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer .... O	9.00	.00	.0	10.50	9.00	12.00	9.00	20	.16	.33	- 51.5	15.0	.20	2.2	.....	fiscal	02-85	14.4	26.3	.2	- 33.3	.22	15.8	45.4	25.8	.7	- 41.7	.60	- 41.2
Winners Cp .... N	6.75	- .25	- 3.6	7.00	6.63	13.38	5.13	289	.64	1.63	- 60.7	48.2	.00	.0	.....	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	3.25	- .25	- 7.1	3.50	3.00	5.63	1.88	985	.75	.95	- 21.1	NE	.10	3.1	.....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels .... N	64.63	- 3.13	- 4.6	67.75	64.38	73.50	45.50	1,077	.43	2.22	- 80.6	14.2	1.80	2.8	.....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns .... N	52.88	- 1.50	- 2.8	54.63	52.75	57.63	35.25	2,779	.97	1.70	- 42.9	13.3	1.00	1.9	.....	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn .... N	30.13	- .63	- 2.0	31.75	29.88	32.75	13.69	1,646	.85	.94	- 9.6	26.7	.09	.3	.....	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns .... N	6.50	- .25	- 3.7	6.63	6.25	8.25	5.13	12,676	3.41	2.13	60.1	81.3	.00	.0	.....	3 mos.	03-85	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0
Servico Inc .... M	21.00	- .50	- 2.3	21.50	21.00	22.28	14.78	217	.62	.64	- 3.1	13.3	.00a	.0	.....	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl .... M	22.50	- 1.50	- 6.3	22.50	22.50	27.00	18.00	2	.01	.08	- 87.5	7.6	.40	1.8	.....	3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	18.75	- .50	- 2.6	19.38	18.63	22.63	14.25	612	1.02	3.09	- 67.0	18.6	.40	2.1	.....	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut .... N	8.38	.50	6.3	8.38	7.75	11.75	7.25	417	.88	1.33	- 33.8	NM	.48	5.7		9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 71.4	87.1	.2	.4	- 60.0	.09	- 59.1
Disney, Walt .... N	87.63	.88	1.0	90.50	86.25	90.50	45.25	6,732	2.04	1.51	35.1	60.9	1.20	1.4	.....	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods .... O	2.63	.25	10.5	2.75	2.50	2.75	1.13	323	1.37	.77	77.9	NE	.00	.0		3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills .... N	58.38	- .88	- 1.5	59.38	57.00	60.63	47.75	4,160	.94	1.97	- 52.3	34.5	2.24	3.8	.....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R .... N	41.63	- 1.63	- 3.8	43.25	41.50	44.50	38.50	4,222	.87	.94	- 7.4	11.0	2.80	6.7	.....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart .... A	9.88	- .25	- 2.5	10.25	9.88	16.44	8.63	657	.53	1.22	- 56.6	13.9	.00a	.0	.....	fiscal	12-84	97.9	- 2.5	2.9	- 34.1	.22	- 33.3	363.8	7.1	9.5	- 29.6	.71	- 34.9
Ogden Corp .... N	27.88	- 1.75	- 5.9	29.38	27.75	31.88	24.13	755	.40	.67	- 40.3	13.5	1.80	6.5		3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc .... N	59.00	- 1.00	- 1.7	59.75	58.13	60.13	39.88	14,389	1.50	1.98	- 24.2	15.4	1.78	3.0	.....	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co .... N	55.38	- .25	- .4	55.88	54.25	56.25	34.50	3,210	.74	.76	- 2.6	12.6	1.56	2.8	.....	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Restec Systs .... O	3.50	.00	.0	4.00	3.50	5.00	3.50	16	.09	.08	12.5	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Vie de France .... M	8.38	- .88	- 9.5	9.25	8.13	15.25	8.13	1,323	1.22	.98	24.5	14.2	.23	2.7	.....	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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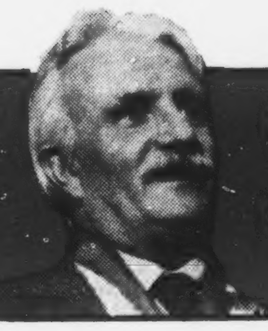

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The Weekly Newspaper of the Food-Service Industry

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Wendy's enters breakfast arena

Chain faces fierce competition

By David Zuckerman

DUBLIN, Ohio — After years of product testing, Wendy's has finally jumped into the fast-food breakfast fray full tilt, touting a menu that surpasses—in variety at least—the various breakfast sandwich offerings of its principal competitors, McDonald's, Burger King and Hardee's.

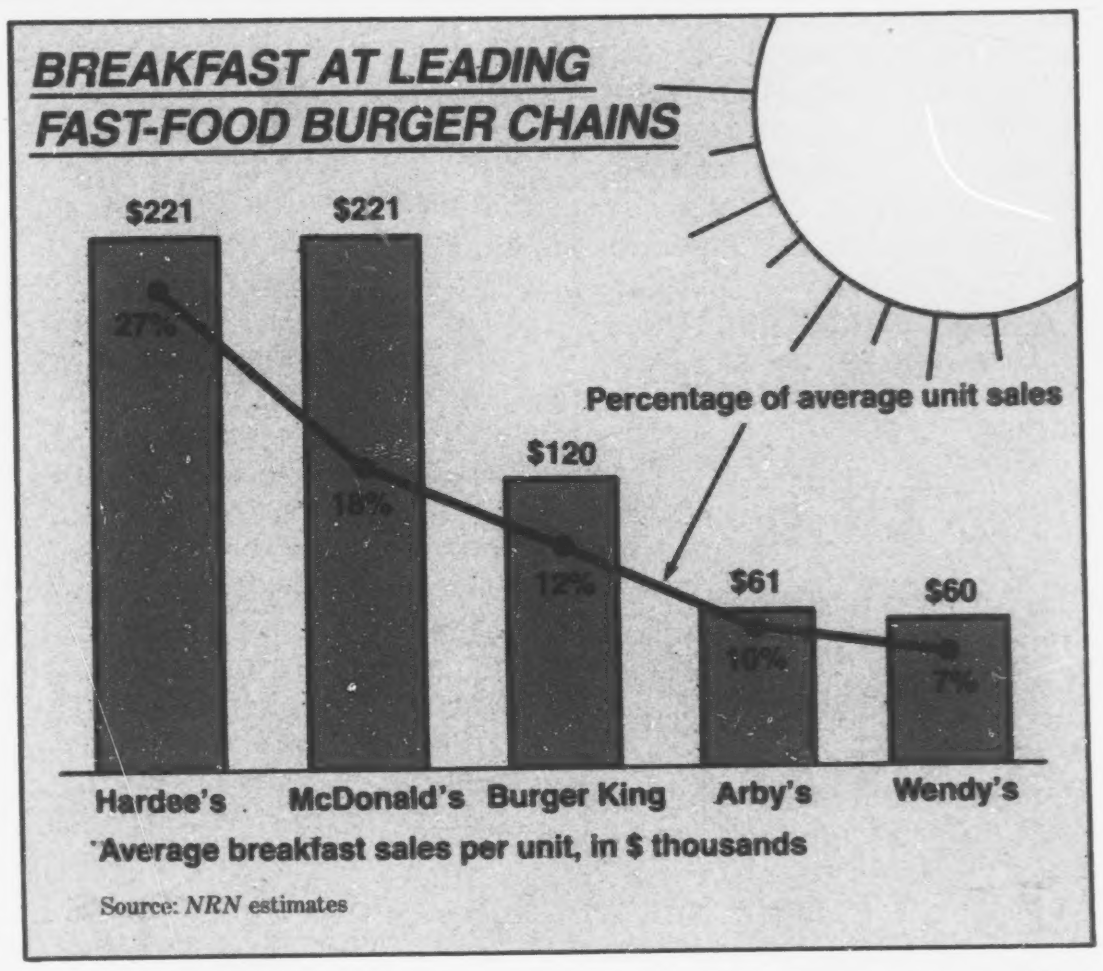
But while breakfast offers lucrative possibilities for the 3,072-unit chain, the road to profitability is crowded with a host of contenders, all gunning for the same customer base.

In the fast-food burger segment alone, Burger King, Arby's and Roy Rogers have jumped on the breakfast bandwagon this year, while McDonald's and Hardee's enjoy a long-standing advantage.

"We must make a major commitment to breakfast now in order to remain competitive," Wendy's chairman and chief executive Robert L. Barney stressed during a recent meeting with security analysts in New York City. "If McDonald's can do 15% to 20% of sales at breakfast, we should be able to do as well but it may take several years. Right now, we'll need a full year of strong marketing just to be profitable."

With systemwide rollout of breakfast completed last month, Wendy's has embarked on its most ambitious new product marketing effort to date, a two-month-long breakfast media blitz that will exceed the $50 million spent

(See **WENDY'S**, page 59)



Source: *NRN* estimates

H&H fails to block Pillsbury

Diversifoods sale imminent

By Don Jeffrey

OMAHA — A Federal judge here has given Pillsbury the green light to purchase Diversifoods, rejecting rival suitor Horn & Hardart's attempt to block the acquisition.

U.S. District Court Judge Richard Robinson denied Horn & Hardart's motion for a preliminary injunction but left open the possibility of another move to take over Diversifoods.

In an amended order he prohibited Pillsbury from paying for any tendered shares of Diversifoods until June 27. He also extended the expiration of withdrawal rights on tendered shares to that date. That means shareholders who had promised to sell their stock to Pillsbury could have backed out if a better deal came along.

On June 20, the date of the original ruling, Pillsbury either already owned or had been tendered more than 16.1 million shares of Diversifoods, or about 48% of the total 33.6 million outstanding.

In May, Pillsbury offered to

(See **H&H**, page 59)

Six named MUFSO Golden Chain winners

By Charles Bernstein

NEW YORK — *Nation's Restaurant News'* readers have selected 6 of 12 candidates as the 1985 Multi-Unit Food-Service Operators (MUFSO) Golden Chain winners. An Academy of former MUFSO Golden Chain winners, nominees and Operators of the Year dating back to 1971 will choose one as MUFSO Operator of the Year.

(For full details and registration information on *Nation's Restaurant News'* 1985 26th annual MUFSO conference on Oct. 13-16 at the Hyatt Grand Cypress Hotel, Lake Buena Vista, Fla., please contact MUFSO coordinator Ms. Chris Hernandez at 212-371-9400, extension 282 or 283.)

The six 1985 *NRN*-MUFSO Golden Chain winners are, in alphabetical order, James Armstrong, veteran food administration vice president for

(See **MUFSO**, page 59)

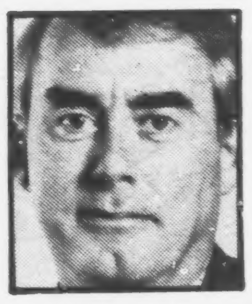
Armstrong

Campbell

Danner

Gunther

Marriott



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CONGRESSIONAL INFO. SERV 15Y
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

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NEWSPAPER

Pillsbury acquires Quik Wok

By Mark Schoifet

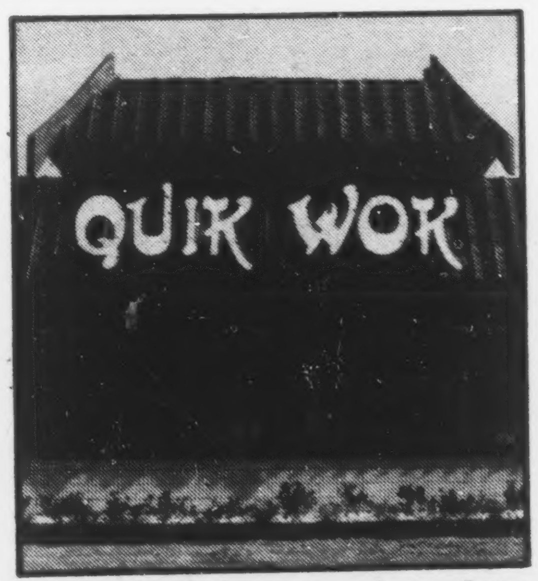
MINNEAPOLIS — Pillsbury has jumped into the growing Chinese fast-food segment with the purchase of nine-unit Quik Wok, a privately held chain based in San Antonio. Terms were not disclosed.

Burger King, Pillsbury's largest restaurant division, will manage the chain. Quik Wok posted sales of $4 million in 1984, with 60% derived from carryout and drive-thru.

"We've been looking for the right opportunity to diversify within the fast-food industry," said J. Jeffrey Campbell, Burger King chairman and chief executive. "Quik Wok provides us with an exciting entry into the ethnic-food business—a business we feel has substantial consumer appeal and growth potential."

Quik Wok operates eight units in San Antonio and one in Fort Lauderdale, Fla. In addition to Burger King, Pillsbury owns S & A Restaurant Corp.—which operates Ben-

(See **PILLSBURY**, page 59)



Burger King is slated to manage the nine-unit Quik Wok fast-food chain.

Troubled Duff's out 22 stores

LEBANON, Ohio — The battered Duff's smorgasbord chain, whose parent company is operating under Chapter 11 of the Federal Bankruptcy Code, has been dealt two more stinging blows.

Sunbelt Paragon Inc., the largest franchisee, with 11 units in eight states, has told parent Kelly-Johnston Enterprises that it is leaving the Duff's system because of "substantial and serious breaches" of contract. Sunbelt Paragon said it would convert all restaurants to a new concept called The Choice buffet and deli.

And Homer and Wilma

(See **DUFF'S**, page 59)

Friendly's TV ad campaign pushes 'lite' menu

By Howard Riell

WILBRAHAM, Mass. — Friendly is spending between $3 million and $4 million for a spot television ad campaign to introduce its new Lite Menu and other rollouts.

The campaign is currently showing in 20 major markets in all 16 Midwestern and Northeastern states in which the family restaurant chain operates, said Carol Trifone, vice president and accounts supervisor for Quinn & Johnson. It is slated to conclude in late August.

The 30-second spots, which offer close-ups of the items themselves, target men with a new Sirloin Steak Burger and women with "Lite" items, such as soups and seafood salads. "It's a very traditional kind of campaign approach," said Trifone.

The Lite Menu introduction comes at a time when the 715-unit chain is beginning to explore more upscale markets with its ice cream products as well. Friendly began testing a takeout-only dipping store concept called O'Goodies last November in Holyoke, Mass. Unlike a traditional Friendly restaurant, which features a wide variety of ice creams and desserts, O'Goodies essentially offers a single product that customers can tailor to their tastes.

Among the items on the new Lite Menu are seafood and tuna salads in pocket pita rolls, each priced at $2.25; seafood and tuna platters, both $3.95; a seafood combo platter, for $3.95, and two croissant sandwiches—ham and Swiss, for $3.60, and turkey, for $3.85.

New sandwiches include a steak sandwich, priced at $3.65, a Philly Steak sandwich, with cheese, for $3.65 and Philly Steak with peppers (but no cheese) for $3.50. The menu also includes two new cream-based, home-style soups.

Del Taco files suit over manual 'theft'

Del Taco's lawsuit charges Baker's Taco with unfair competition and unauthorized use of trade secrets.

By Richard Martin

COSTA MESA, Calif. — Del Taco Inc. has filed a $20 million suit against San Bernardino, Calif.-based Baker's Taco over the company's alleged use of stolen Del Taco operations manuals.

The privately held California fast-Mexican chain, which spawned the W. R. Grace-owned Del Taco Corp. in 1977, charged Baker's with unfair competition and unauthorized use of its trade secrets in the suit.

Attorneys for 172-unit Del Taco said the action is based on information from a Del Taco employee who had previously worked for Baker's, where she said she had used proprietary Del Taco materials on operations, training and management. The employee explained that she had thought Baker's was owned by Del Taco, according to the company's Irvine, Calif.-based attorney, Mike Balmages.

Implicated in the suit are a former Del Taco area supervisor and a former Del Taco unit manager who are now believed to work for Baker's. Officials of Baker's Burgers Inc. referred inquiries to their attorney, who did not return phone calls from *Nation's Restaurant News*. Baker's owns and operates 14 burger-and-taco stands and franchises about a dozen others.

Meanwhile, Del Taco is counting on its six-month-old breakfast program and the 12 to 15 new southern California units planned for the next 12 months to help the chain rebound from a "slight" decline in sales—to $98 million—reported for the fiscal year ended in April. The new-year systemwide sales goal for the chain, which is 37% franchised, is $110 million, company officials indicated.

Breakfasts of pancakes, eggs and combos and such Mexican items as Eggs Benedicto and egg burritos, are "hitting their stride and meeting our goals in terms of percentage of sales [7%-10% of total]," marketing vice president William Coulter said.

Citing the "minimal front-end costs" of adding breakfast items to Del Taco's Mexican-and-burgers menu, Coulter also lauded other advantages of the breakfast concept: "If you just announce you're open [during morning hours], nothing happens." Ironically, however, as soon as a banner announces "breakfast," morning-hour sales accelerate—although 50% to 60% of such sales are in regular burritos and tacos.

41 on welfare receive food-service training

By D. M. Levine

JERSEY CITY — In response to increasing demand for food-service personnel, Hudson County is training 41 welfare recipients in the culinary arts.

HELP WANTED
LABOR CRISIS

The 10-week program is providing the students with a course in the basics of food service that will enable them to get jobs, said Ernest Staltare, director of Hudson County Community College's Institute of Culinary Arts.

County officials said the program was created because of the continuing need for food-service workers in the region, which is part of the New York Metropolitan Area. "According to personnel experts, the demand for trained food-service personnel is at an all-time high," said George J. Albanese, the county's human services commissioner.

"This training opportunity in Hudson County is an example of the Department of Human Services' effort to offer more meaningful training to welfare clients that will offer them a future," Albanese said in a statement.

Staltare said the welfare recipients are receiving intensive training in the basics, such as the methods and chemistry of cooking, with exposure to the various facets of food-service operation, including equipment, tools and menu preparation.

"This will prepare them for

(See **WORKERS**, page 59)

COMMODITIES

Broiler prices are expected to hold despite heat wave

NRN Special Report

The early June heat wave that hit the Southeastern states killed about a half-million chickens and curtailed the rate of broiler growth, according to Bill Roenigk of the National Broiler Council. The hot weather was unusual only because it was a month earlier than normal. Fortunately, after a week rains and cooler weather alleviated it, but at presstime prices were still elevated, despite apparently ample supplies of broilers available.

Broiler production rates have been running about 4% to 6% above those of last year. With inexpensive feed costs, efficient producers should have adequate profit margins at the prices they were receiving before the heat wave. One major mid-Atlantic packer selling primarily to the consumer trade has announced an increase in contracts with raisers in the mid-Atlantic and Southeastern states. A large Western producer that supplies both the food-service and consumer markets has also indicated plans to increase production in that area.

As long as feed prices remain low—and U.S. Department of Agriculture estimates of feed grain production for this year call for generally bumper crops—the costs of production will be attractive enough for producers to maintain high outputs. The industry, however, is dependent upon fewer producers, since many smaller ones were forced out of the market or bought up by larger firms during the period of high feed prices in the late 70's and early 80's.

Beef and pork prices have been moving up a bit lately, but several factors have worked against a strong rise. One of them has been the general reduction in consumption of red meats consumed at home. Although there has also been a turn toward poultry, seafood and pasta at the food-service level, too, it has not been so pronounced as the cutback in consumer spending on red meats.

Another factor was the relatively mild winter and spring, combined with the low cost of feed grains. Hog farmers and feedlot operators were able to put greater weights on their animals, which provide that much more dressed meat. Low prices for live animals have been another factor. The low return has discouraged producers—particularly when they do not see market prices drop. (The price spread between producer and market has increased by about 10% in the past year, as retailers and purveyors have not passed on the lower prices to customers.)

The result has been that producers are still thinning herds instead of beginning the rebuilding that agricultural economists anticipated. In the short term it has kept prices stable, but eventually the marketing will slow as producers reduce their inventories to minimums. Then operators will see a long haul of higher prices for the red meats.

Seafood presents a mixed supply picture. Although the catch of Alaska King Crab has been another small one, the price of frozen crabmeat and claws has dropped almost 10% from that of last year. Most of the drop has been because of reduced demand as both operators and consumers reacted to the high prices.

Another factor has been the growth of food-service use of surimi products. These look-and-taste-alike products are processed from less expensive white fish (primarily pollock) and can replace the expensive seafood in salads and other dishes where crabmeat is normally used. Although many operators are hesitant to use surimi because of the difficulty of describing it on the menu, its use is expected to grow substantially.

Supplies of codfish blocks and slabs (used in manufacturing fish portions and sticks) have remained tight, but the prices have not changed.

PRICE MOVEMENT AT A GLANCE

	June 17, 1984	May 17, 1985	June 17, 1985
Beans, baby lima, dry, Calif. (lb.)	$0.27	$0.22	$0.225
Beef, Choice, 700-900 lb., Midwest (lb.)	$1	$0.93	$0.89
Broccoli, No. 1, Calif. (case 14s)	$4-$4.50	$4-$5	$3.50
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$0.5385	$0.5506	$0.5703
Coffee, green beans, Brazilian, N.Y.C. (lb.)	$1.47	$1.38	$1.40
Crabs, Alaska King meat, frozen (lb.)	$18.25-$18.75	$16.50-$17	$16-$16.50
Eggs, Grade A, large white, Chicago (doz.)	$0.69	$0.53-$0.56	$0.64-$0.67
Lettuce, iceberg, No. 1, Calif. (24s)	$8-$9	$5-$6	$2.50-$3
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$0.935	$0.85	$0.90

Source: *NRN Research*

Study: Frequent travelers dine in hotels more often

By Peter Romeo

NEW YORK — With many hotels and lodging chains having upgraded their food and beverage (F&B) operations, 70% of frequent travelers now eat in hotel restaurants "most of the time," according to a new study from the American Hotel & Motel Association.

However, the report also showed that room service is an unpopular hotel amenity among frequent travelers, with 54% saying they would be "least likely" to use that form of service.

The *1985 Lodging Guest Survey* gave no indication that a hotel's restaurant helps lure in guests.

Rather, the 1,055 respondents cited that their major reasons for picking a hotel for the first time are location (61%), room rates (49%), appearance and cleanliness (42%) and recommendations (20%). Service, a catchall category that presumably includes restaurants, ranked seventh (12%).

Conversely, the report lent no support to the belief common within the lodging industry that a poor hotel restaurant will discourage a first-time guest from making future visits.

The respondents said the most common reasons for their avoidance of hotels are unsatisfactory service "as in discourteous personnel and lost reservations," according to the AH&MA (cited by 37%); lack of cleanliness (28%); inadequate bathroom supplies (22%), and noise (18%).

REASONS FREQUENT TRAVELERS CHOSE A HOTEL . . .

	Cited by:
Location	61%
Rates	49%
Appearance/ cleanliness	42%
Recommendations	20%

. . . BUT DO NOT RETURN FOR A SECOND VISIT

	Cited by:
Unsatisfactory service	37%
Lack of cleanliness	28%
Inadequate bathroom supplies	22%
Noise	18%

Source: *1985 Lodging Guest Survey*

The study found that frequent travelers—defined as persons who took five or more trips in the year preceding the study—are younger as a group than they were four years ago. Seventy per cent of the respondents indicated that they are age 50 or under, while in a 1981 version of the same study, only 55% fell within that age bracket.

The 1985 survey also found that about 66.7% of frequent travelers earn $30,000 or more annually, a 48% increase over the 1981 tally.

In addition, 44% of the respondents in the 1985 study said they take more than 10 trips a year, a 30% increase over the 1981 finding.

The survey found that women make up 36% of frequent travelers, a proportion surprisingly close to the 1981 figure.

Female frequent travelers use markedly different criteria from those of their male counterparts in deciding whether to visit a hotel for a second time. For instance, 2 out of 3 of the female respondents cited cleanliness and appearance as a prime reason for a return visit, while only half the men cited that factor.

Similarly, 12% of the women said security was an important reason for returning to a hotel. Only 1% of the men cited that as a consideration.

In general, the survey indicated that frequent travelers are being more selective in choosing accommodations, according to Prof. Lee Kruel of Purdue University.

"Today travelers have more choices than ever before, so they're likely to give more attention to the selection," Kruel said.

Unionization 'SWAT team' sent to work

WASHINGTON — The Hotel and Restaurant Employees International Union said it has hired 40 recent college graduates for "SWAT team" unionization blitzes in Boston, Chicago, Orange County, Calif., and here.

The union has budgeted $2 million a year for the organization of hotel and restaurant workers in those cities.

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ARGO
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Karo
THOMAS'
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Thomson McKinnon Securities Inc.

Wendy's rolls breakfast

(Continued from page 1)

on last year's classic "Where's the Beef?" campaign, according to chain sources.

During the course of the summer, American consumers will be bombarded by three network television spots tied to the theme "Only Wendy's Has . . ." The company hopes to expose 95% of all adults to its breakfast message on a high-frequency basis.

At the forefront of Wendy's breakfast program are four made-to-order omelets featuring such fillings as ham, cheese, mushrooms, onions and green peppers. The omelets, which present a sharp contrast to prewrapped breakfast products, such as McDonald's McMuffins and Burger King's Croissan'wich, could enable Wendy's to make some inroads into a more upscale breakfast niche currently controlled by such coffee shop chains as Denny's and Shoney's.

The remainder of Wendy's new breakfast arsenal includes French toast with hot apple or blueberry topping, a scrambled egg platter and a fried-egg-and-cheese breakfast sandwich served on wheat or white toast and topped with bacon or sausage. Home fries, Danish pastries, toast and juice are offered as side dishes.

IN ADDITION, Wendy's has veered from its original plan of avoiding copycat products by introducing biscuit breakfast sandwiches in a few Southeastern and Southwestern markets. Strong competition from the likes of Hardee's, McDonald's, Mrs. Winners, Bojangles and Kentucky Fried Chicken—all of which feature strong biscuit breakfast programs in the South—most likely influenced the decision.

While Wendy's declined to comment on the program, biscuits are reportedly being tested in about a half-dozen markets from Alabama to Texas. According to franchisees that are now carrying the products, offerings include a sausage biscuit, a bacon biscuit and an egg and cheese biscuit that may also be topped with sausage or bacon.

"The biscuit program is the result of strong demand from the franchise community in the South," an Alabama-based franchisee said. "We wanted the product because it is a necessary part of breakfast in this region of the country."

In a few markets, at least, Wendy's breakfasts are already pulling their weight. According to Barney, per-store breakfast sales in the Columbus, Ohio, market have been approaching $2,000 per week or some 10% of sales. Even higher numbers have been recorded at the chain's two stores along the Illinois toll roads and at some units in Kansas City and New Orleans.

But in the majority of markets, the breakfast program is at least six months away from reaching the break-even point, and some franchisees fear that breakfast will require a year and a half to two years before it ceases to be a drain on the bottom line. The break-even point for breakfast has been estimated at about $1,000 to $1,400 per week in store-level sales.

MEANWHILE, WENDY'S added fuel to widespread speculation that hotdogs may be the next major new product on the chain's horizon. While denying plans for a chainwide hotdog rollout, Wendy's served the all-beef product to security analysts in New York and aired a 30-second television spot that is now being used in selected local markets.

Recently, the chain's test of its All American hotdogs has been expanded from three to 12 markets.

In test stores Wendy's has been offering four varieties of hotdogs, all served on split-top buns, which are buttered on both sides and toasted.

Court rules on H&H suit

(Continued from page 1)

buy all outstanding shares for about $360 million in cash, or $11.50 a share.

A partnership of Horn & Hardart and Jesson Inc., called Jesart, had already purchased 8.4% of Diversifoods' stock and then made an offer to buy all the shares for about $369 million in cash and securities, or about $12 a share. Diversifoods turned down Jesart's bid and unanimously accepted Pillsbury's. Jesart then filed suit in Federal court to block Pillsbury's.

Jesart said other major Diversifoods shareholders were dissatisfied with Pillsbury's bid and threatened to take action at Diversifoods' annual meeting. Diversifoods had postponed it after accepting Pillsbury's offer, but a Nebraska state judge ordered that it be held by July 15. The possibility of a proxy fight at that gathering still existed at presstime.

Horn & Hardart or Jesart's options included the proxy fight and a sweetened bid for Diversifoods' shares, possibly with some other company.

But Diversifoods spokesman Kenneth Pieper said he doubted whether Horn & Hardart had the financial resources to bid higher. He said that Diversifoods had rejected Horn & Hardart's original offer because it was for cash and securities, not cash alone, and that the company resulting from such a merger would be highly leveraged.

Some industry analysts believe Pillsbury made its bid to prevent Horn & Hardart from gaining control over Diversifoods' 375 Burger Kings.

Pillsbury is the parent of Burger King, and Diversifoods is by far its biggest franchisee. Horn & Hardart also franchises about 12 Burger Kings, but its chairman Barry Florescue has gained a reputation as an independent-minded operator who has at times reportedly rankled Pillsbury. At any rate, Florescue and other Jesart partners stand to make millions if they sell their Diversifoods stock to Pillsbury.

Two days before Robinson made his ruling, he prohibited Horn & Hardart from contacting any Diversifoods employees. Pillsbury had charged that Horn & Hardart was trying to woo Godfather's division president Pete Pettis. A Horn & Hardart source denied the charge and said that although Pettis had been "identified" several months ago as a candidate for the presidency of Bojangles, a 333-unit chicken chain owned by Horn & Hardart, the position was given to someone else.

Pillsbury has said that its bid for Diversifoods was not a reaction to Horn & Hardart's. It has maintained for at least a year that it wants to increase its company-operated Burger King properties from about 14% to 20% of the total 4,120-unit system. The takeover would achieve that aim.

Some major Diversifoods shareholders are said to be unhappy with Pillsbury's bid because they stand to lose money.

Duff's dealt double blow

(Continued from page 1)

Duff, who founded the chain in 1967, have purchased the assets of 11 Duff's units from Kelly-Johnston and will change their names to Stacey's Buffet and Stacey's Marketplace Buffet.

The two moves leave Kelly-Johnston with nine company-owned Duff's and the rights to about 50 franchised restaurants. When Kelly-Johnston purchased the chain in 1983, it consisted of 24 company stores and 109 franchises.

"We've taken down all the Duff's signs," said Bill May, president of Sunbelt Paragon. "We are no longer part of the Duff's system."

May said Sunbelt Paragon, which recently shuttered three Duff's in New Mexico and Texas, would change its name to Choice Restaurants Inc. The first official Choice restaurant, scheduled to open this month in Moline, Ill., will feature an "upgraded menu comparable to the better cafeteria chains," he said. The Choice will offer carry-out service as well.

The Duff family, which owns 7.2% of Kelly-Johnston common stock, acquired the 11 restaurants in exchange for the assumption of liabilities and future lease payments totaling $15.9 million and the responsibility for $8.1 million of Kelly-Johnston loan guarantees.

Another shareholder, William Wipperfurth, purchased six restaurants and will share the liabilities with the Duffs. He is expected to keep his restaurants in the system.

IN MAY the Duffs and Wipperfurth said they were considering shareholder support to elect new directors. However, as part of the sale agreements, both parties relinquished voting rights of their stock to Kelly-Johnston for five years.

Kelly-Johnston, once one of the most promising companies in the food-service industry, sought Chapter 11 protection from creditors in April. At the time, the company listed $8 million in assets and $62.8 million in liabilities.

Its three restaurant divisions—Duff's, 17 Chi-Chi's franchises and seven Joe Kelly's seafood dinnerhouses—listed assets of $10.1 million and liabilities of $49.5 million.

Homer Duff said he was hopeful that Kelly-Johnston would be able to straighten out the chain that bears his name. "I think it will be smaller, with fewer franchises," Duff predicted. "Hopefully, they'll be able to get down to a size where they can manage it."

— **Mark Schoifet**

MUFSO winners named

(Continued from page 1)

Walt Disney World and associates; Jeffrey Campbell, chairman of Burger King and a leading force in the "Battle of the Burgers" and in the "reformulation" of the Whopper; Raymond Danner, chairman and driving force of Shoney's Inc. (Shoney's Restaurants, Captain D's, Lee's Famous Recipe); Arthur Gunther, president of Pizza Hut, who brought Personal Pan Pizza to the fore; J. Willard Marriott Jr., president of the Marriott Corp., a hotel and food-service chain power, and Daniel Scoggin, president and molder of the T.G.I. Friday's chain, which tops $3.3 million average annual per-unit sales.

They will be honored, along with 1985 Pioneer award winner Burger King founder James McLamore, at *NRN*'s annual MUFSO awards banquet on Tuesday evening, Oct. 15.

Among a myriad of headline speakers at the Oct. 13-16 MUFSO conference will be Television Bureau of Advertising sales vice president Robert Baker, National Restaurant Association president Ted Balestreri, Chili's chairman Norman Brinker, Campbell, Pizza Hut founder Frank Carney, Collins Foods chairman James Collins, Imasco USA (Hardee's) chairman Jack Laughery, General Mills Restaurant Group president Joe Lee, Flakey Jake's chairman Robert Luckey and Lettuce Entertain You Enterprises president Richard Melman.

The conference will be keyed to prime strategies for gaining wider market shares in a variety of panels, workshops and discussion sessions.

Pillsbury buys Quik Wok

(Continued from page 1)

nigan's, Steak & Ale, and J. J. Muggs—and Häagen-Dazs Shoppes.

The acquisition follows General Mills' purchase of Leann Chin, a four-unit chain of buffet and take-out restaurants in the Twin Cities area. Many experts predict the Chinese restaurant category, now dominated by family-run operations, will be the next chain battleground.

Other key players in the segment include Nankin Express of Eden Prairie, Minn.; Eggroll Express of Tulsa, and Xian of Westmont, Ill., in which former Diversifoods president Donald N. Smith owns a 10% interest.

Quik Wok was founded in 1980 by Connie Andrews, president and chief executive, and Kenneth Lau, chief operating officer. Neil Ostman, vice president and controller, rounds out the management team.

The chain evolved from Golden Wok, a three-unit full-service Chinese dinnerhouse operation started by Andrews 13 years ago in San Antonio. Eight years later she and Lau, then her employee, opened the first Golden Wok fast-food offshoot. Lau, who was raised in China and trained in Hong Kong, began as a chef and brought to Quik Wok a first-hand knowledge of Chinese cuisine.

N.J. training 41 workers

(Continued from page 4)

jobs in the area . . . [and] there are loads of them," Staltare said.

After the students successfully complete the course, he said, they will be able to seek positions as prep cooks, short-order cooks and pantry assistants, which pay between $4.50 and $6 an hour.

A $125,000 contract by the county's Office of Employment and Training is funding the program. Three faculty members are overseeing the project.

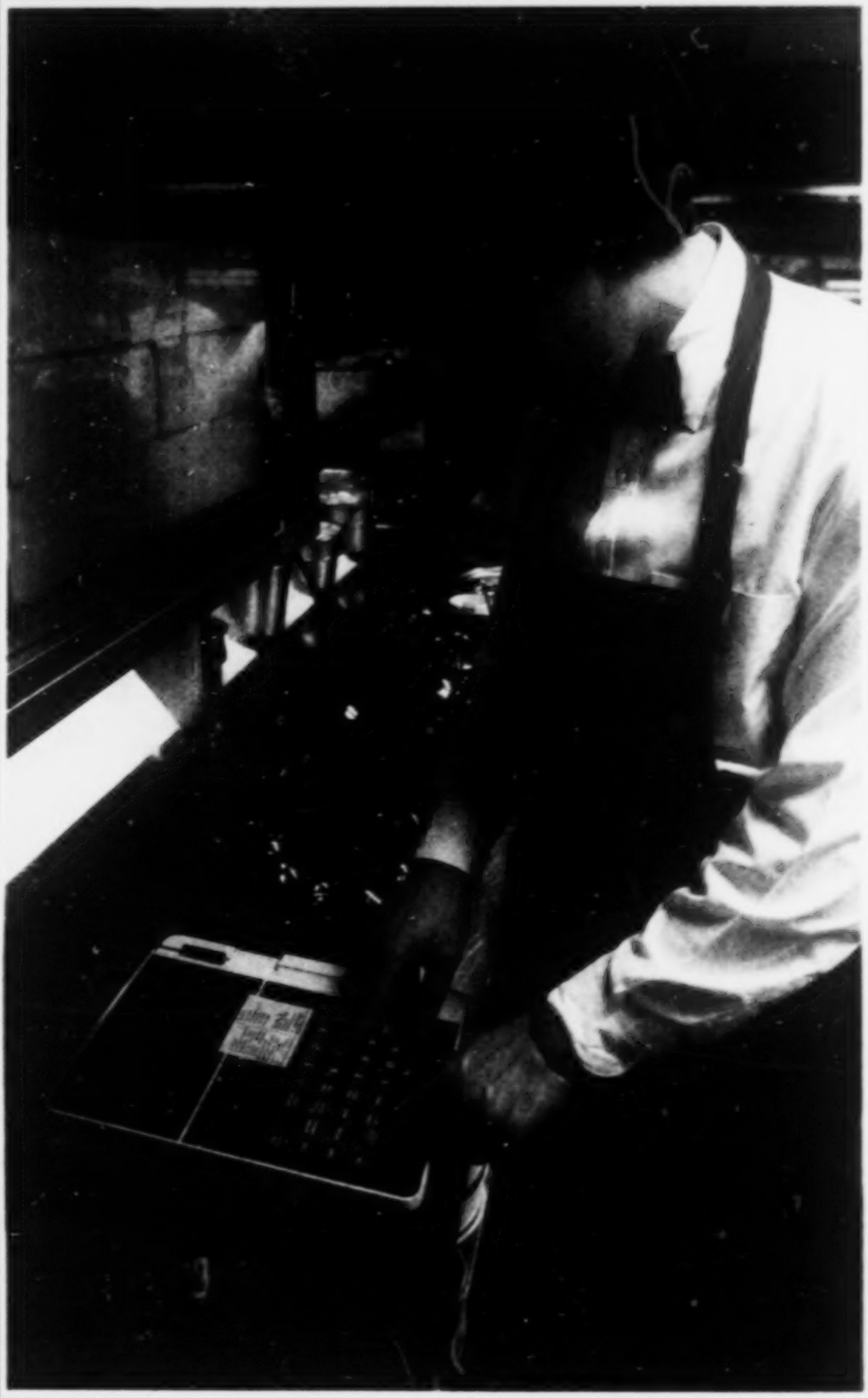
The two-year-old Institute of Culinary Arts graduated its first class last month. Its two-year program, which leads to an associate in applied arts degree, costs $5,500 in tuition. Staltare, who formerly was a dean of the culinary division at Johnson-Wales College in Providence, R.I., heads the program.

COMPUTER USAGE

Modern technology continues to make an ever-greater impact on food service. *NRN* takes a look at the way restaurateurs are using automated systems to get better results from their operations.

Since the publication of the first Restaurant Technology supplement to *Nation's Restaurant News* a year ago, the computerization of the food-service industry has continued to make considerable progress. Judging by recent surveys, more than half of all restaurants—though perhaps not counting smaller, mom & pop units—now use modern technology as an increasingly indispensable aid in their operations. And of those who don't yet enjoy the fruits of microchip technology, a full one-third say they'll be installing computerized systems within the next two years.

To be sure, much of the action still is in the front-of-the-house. More and more point-of-sale terminals and electronic cash registers are finding their way into restaurants, giving operators a better grip on such data as daily financials, inventory levels and costs, labor expense and timekeeping and recipe costs. But as some of the articles in this supplement detail, the computer revolution is stirring things up as well in areas other than the cashier's station. California-based Carl Karcher Enterprises, for example, which operates Carl's Jr. restaurants, is now equipping its regional offices with personal computers to give area supervisors a daily readout of the strengths and weaknesses of the unit they're responsible for. Ponderosa is testing a unit-level PC system to, in the words of a chain vice president, "take our managers out of the office and put them in the dining room." Institutional food-service operators like the one at United Hospitals in St. Paul,



In a study, 62% of respondents said they've computerized their operations.

Types of Information/Reports Currently, or Projected to be, Produced by POS/ECR Systems*
(Among respondents using POS/ECR systems)

		Chain			
	Total %	Fast Food %	Family Restaurant %	Dinner-house %	Independent %
Daily financial	78	79	60	89	88
Inventory unit levels	53	56	45	56	56
Inventory dollar values	51	59	25	67	50
Food items based on recipe explosion	51	53	55	61	31
Labor costs per hour	48	56	40	50	38
Labor timekeeping	45	59	20	50	44
Recipe costs	34	38	30	39	25

**Adds to more than 100% due to multiple responses*
Source: *NRN* State of Computerization in Foodservice Industry Trade Study

Minn., are thinking about installing such systems as electronic bid ordering to greatly facilitate purchasing decisions.

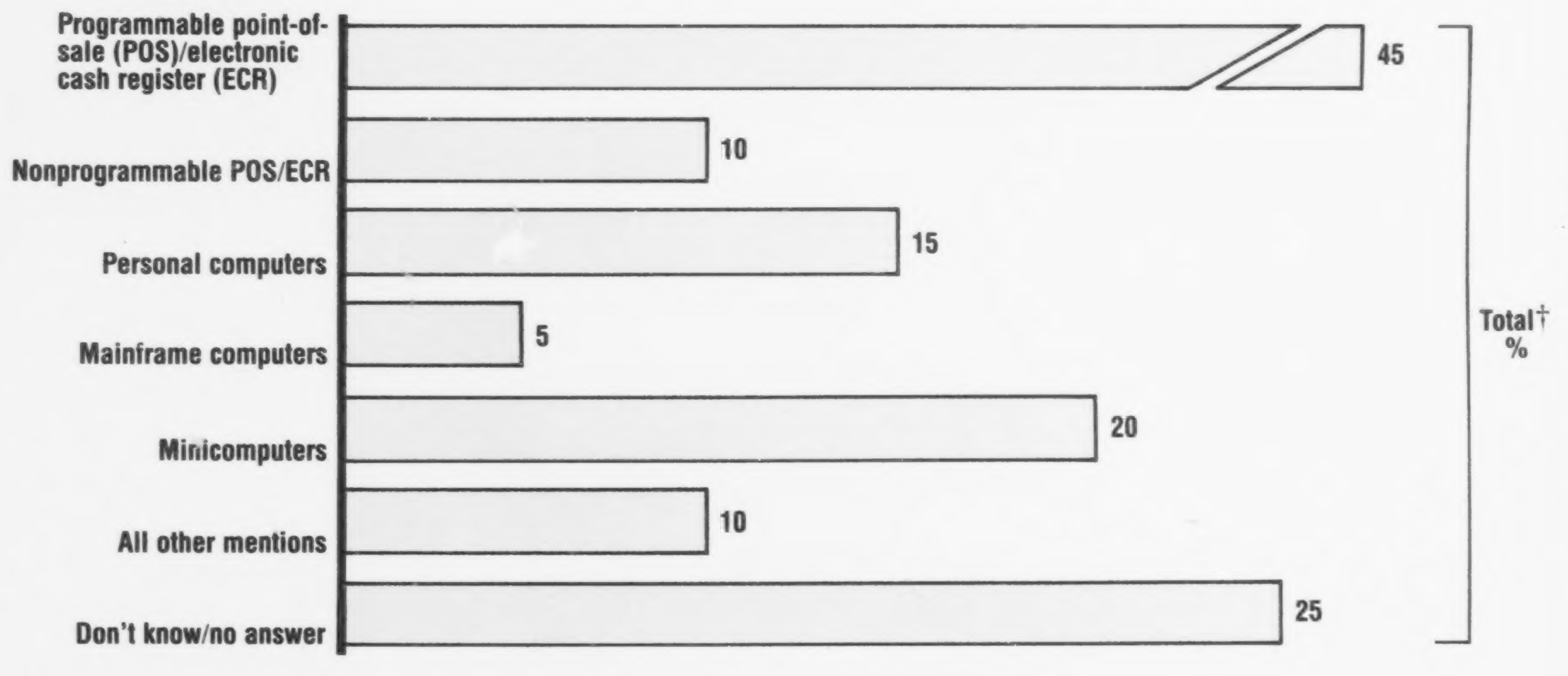
Meanwhile, manufacturers are putting their inventive talents to work and are coming up with evermore sophisticated equipment specifically designed for the food-service industry. One example of such efforts is the electronic order pad that replaces a server's traditional order book. One company that's currently testing the device is Spectrum Foods, which has equipped waiters and waitresses at its MacArthur Park restaurant in Palo Alto, Calif., with them to improve service and reduce labor costs. The devices are handheld cordless computer terminals tied to larger units with paper printout capability in the bar, kitchen and manager's office. The idea is to eliminate the need for service staff to run to the kitchen to post and check orders, thus permitting them to spend more time in the dining room with their customers. Whether such new fangled devices will catch on in many restaurants remains to be seen—even some of their proponents admit that such electronic gear might look funny in, say, a very upscale French restaurant—but they're bound to find some uses, for example, in hotel pool-side service. The point, says Mike Speer, a Chicago C.P.A. and expert in food-service technology, is that computerization, whatever its forms, will take an ever-tighter hold of food-service operations across the country.

To get a better insight into the state of computerization in the industry, *NRN* surveyed more than 160 independent and chain restaurant operations, which, taken together, account for billions of dollars of f&b sales, and represent the country's on-premise food-service spectrum. The study found that 62% of all respondents use one or another computerized system in their operations. Of those who don't, 33% indicated they'll be installing computerized systems within the next two years.

Highest on their shopping lists are programmable point-of-sale/electronic cash register (POS/ECR) systems, though some are also planning to install back-room systems—minicomputers, PCs or a mainframe. A typical statement of what the operators expect from computerization—and an indication of modern technology's most essential benefits—was the following: "We are looking to speed up and get rid of a lot of mistakes. We hope to improve table turnover. We're looking for cost accountable breakdowns and it should help with labor control."

Among those who already use

Planned Computer Systems*
(Types of systems respondents currently using no computers plan to install within the next two years)



**Adds to more than 100% due to multiple responses*
†Analyzed in total only due to insufficient bases

Source: *NRN* State of Computerization in Foodservice Industry Trade Study computerized systems, nearly 8 out of 10 have programmable POS/ECR's. Of the most complex back-room systems, personal computers are the most popular; 39% of all respondents who use computer systems use PCs; 22% have a mainframe, while minicomputers can be found at 20%. Modern technology still hasn't made great inroads into the kitchen, however: computer controlled cooking equipment, for example, has been installed at a mere 13% of operations, while only 12% have kitchen printers.

The study indicates that restaurateurs who plan to install POS/ECR systems need not fear that it's going to take their employees a very long time to get comfortable with the equipment. On the average, restaurant personnel became proficient in operating the systems within 6.3 days.

The most-used functions of front-of-the-house systems are daily financials and reports on inventory unit levels and dollar values, labor costs by hour, labor timekeeping, food items consumed based on recipe explosion and recipe costs. Back-of-the-house systems, where available, are used for financial accounting, f&b control and planning and budgeting. In the financial accounting area, the most common functions are sales accounting, accounts payable, monthly P&L, general ledger and payroll. Food inventory, menu sales analysis, recipe costing and menu explosion are top functions in food and beverage control, while budget preparation, cash flow forecast, variance analysis and long-term planning are most often used in the planning and budgeting area.

Functions Currently, or Projected to be, Performed by Back-of-the-House Systems*
(Among respondents using back-of-the-house systems)

	Total %	Chain Fast Food %	Chain Family Restaurant %	Chain Dinner-house %	Independent %
FINANCIAL ACCOUNTING					
Accounts payable	86	76	91	91	93
Sales accounting	81	71	91	82	86
Monthly P&L	77	76	64	82	86
General ledger	77	71	73	82	86
Payroll	75	76	55	91	79
Accounts receivable	70	52	64	82	93
Weekly P&L	44	48	18	46	57
Purchasing	39	33	45	27	50
FOOD AND BEVERAGE CONTROL					
Food inventory	65	62	55	64	79
Menu sales analysis	53	67	45	45	43
Recipe costing	51	48	45	64	50
Menu/food item explosion	44	48	36	55	36
Quality control	30	24	36	45	21
Automatic pouring system	18	19	—	36	14
PLANNING AND BUDGETING					
Budget preparation	60	62	45	73	57
Cash flow forecast	56	67	45	73	36
Variance analysis	51	48	45	73	43
Long term planning	46	38	36	73	43
Marketing plans	25	29	18	9	36
Automatic timing of (HVAC) heating ventilation and air-conditioning	11	5	9	9	21
Automatic timing of cooking equipment	7	5	9	9	7

**Adds to more than 100% due to multiple responses*
Source: *NRN* State of Computerization in Foodservice Industry Trade Study

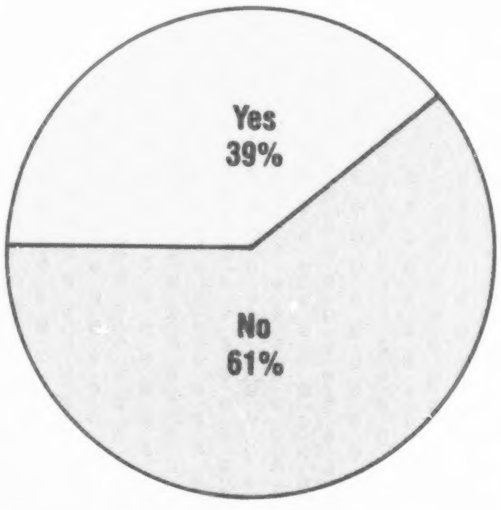
Types of Computerized Systems Used in Establishments*
(Among respondents using computerized systems)

	Total %	Chain Fast Food %	Chain Family Restaurant %	Chain Dinner-house %	Independent %
Programmable point-of-sale (POS)/electronic cash register	78	78	82	89	67
Nonprogrammable POS/ECR	20	22	41	11	4
Personal computers	39	38	32	44	42
Mainframe computers	22	24	27	28	8
Minicomputers	20	27	18	11	17

**Adds to more than 100% due to multiple responses*
Source: *NRN* State of Computerization in Foodservice Industry Trade Study

Incidence of POS/ECR and Non-POS Systems Interfacing With Each Other

(Among respondents using both front and back-of-house systems)



Source: *NRN* State of Computerization in Foodservice Industry Trade Study

And whom do restaurateurs consult when considering the purchase of a computer system? Most frequently, they turn to manufacturers' salesmen, or use personal contacts. Surprisingly, a mere 2% of the survey's respondents said they go to independent consultants, who are precisely the people a number of computer experts say should be looked up for advise. Their point is that consultants are usually not beholden to any one supplier, and so won't try to push a particular system.

NRN Index slips 0.1 to 129.6; losers outpace gainers

NEW YORK — As broader averages surged upward, the *Nation's Restaurant News* Food-Service Operators Index slipped for a second week, losing the minimum calculable 0.1 point, closing at 129.6 for the week ended June 21.

Issues declining in price outnumbered advancers 52 to 36, with 28 unchanged, on the full 116-issue *NRN* listing.

The Dow Jones Industrials Average rose 24.75 in the week, to 1324.48, 193.41 points ahead of the year-ago level. Traders said talk of a General Foods-Phillip Morris merger buoyed the index. Wider averages rose on technical factors stemming from index futures, analysts said.

Godfather's franchisee Concept Development led the percentage price losers list, down $3.63, to $12.13, on volume 152% heavier than its 12-week average.

Chefs International, a seafood dinnerhouse chain, led the price winners roster, up 19¢, to 69¢.

Vie De France led the volume-surgers list with a 330% rise in trading, or 465,300 shares. Diversifoods traded 280,300 shares, an 88% drop in activity, the steepest drop of the week.

Among some of the most widely held issues, McDonald's gained 50¢, to $67.38. Wendy's lost 38¢, to $17.75. Church's was off 13¢, to $17.75. Shoney's, up 75¢, to $30.25.

T.G.I. Friday's, down 13¢, to $10.13. Saga, off 63¢, to $26.75.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Vie de France M	330.0	Collins Foods N	89.4
Restec Systs O	330.0	Churchs Fr Ch N	83.2
Natl Pizza M	264.1	Rest Systems M	78.6
Concept Dev M	151.8	Ponderosa Sys N	77.1
El Chico M	128.5	Consul Restaurant M	77.1

TOP TEN GAINERS

(Weekly Price Change, in %)

Chefs Intl O	37.5	Vie de France M	7.5
USACafes M	17.6	Servico Inc M	7.1
Collins Foods N	8.7	Calny Food M	6.5
Kapok Cp A	8.3	Chi-Chi's M	6.1
El Chico M	8.1	Cracker Barrel M	5.8

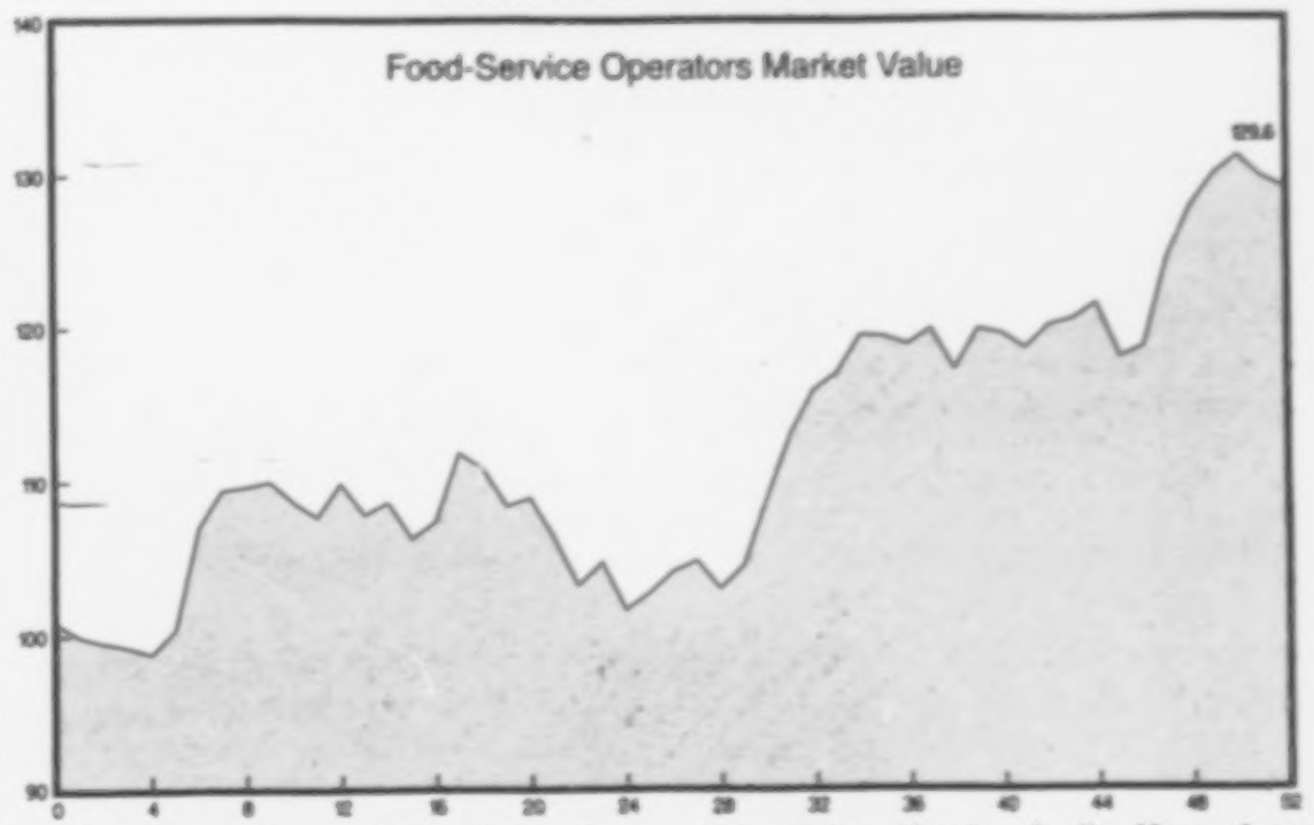
TOP TEN LOSERS

(Weekly Price Change, in %)

Concept Dev M	-23.0	Lifestyle Rest A	-10.5
1 Potato 2 O	-19.2	El Pollo Asa O	-10.3
Esteban Foods O	-19.0	Fuddruckers Inc M	-9.1
Calibre Cp M	-17.4	Garcias Scot M	-8.7
TGIF Texas O	-11.1	Good Taco M	-8.3

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	6-21-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	5.88	-.13	-2.1	6.00	5.75	7.13	3.50	54	.15	.67	-77.6	17.8	.00	.0	—	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests M	4.50	-.25	-5.3	4.75	4.25	5.38	3.50	150	.60	.76	-21.1	32.1	.00	.0		6 mos.	04-85	10.4	1055.6	.1	-80.0	.05	-75.0	19.9	114.0	.0	-100.0	.02	-84.6
Am Restaurants O	3.75	-.25	-6.3	4.13	3.75	6.00	2.38	115	.50	.33	51.5	75.0	.00	.0		3 mos.	04-85	4.7	4.4	.0	-100.0	(.01)	-100.0	4.7	4.4	.0	-100.0	(.01)	-100.0
Assoc Hosts M	12.13	.25	2.1	12.25	11.50	17.13	10.88	1,488	3.36	2.00	68.0	16.4	.12	1.0	—	6 mos.	03-85	22.9	-5.8	.7	-36.4	.16	-36.0	45.4	-3.6	1.4	-26.3	.32	-25.6
Benihana Natl M	19.00	-1.00	-5.0	19.63	19.00	21.75	10.75	813	2.80	4.77	-41.3	17.8	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	21.50	.75	3.6	21.50	20.25	21.50	14.75	813	.50	.73	-31.5	19.4	.30	1.4	—	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp M	2.38	-.50	-17.4	2.75	2.13	5.13	.63	220	.73	.52	40.4	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	12.38	.75	6.5	12.38	11.63	13.25	8.13	253	.56	2.03	-72.4	18.2	.16	1.3	—	fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab M	1.81	-.13	-6.5	1.94	1.75	3.13	1.38	1,376	.90	1.63	-44.8	NE	.00	.0		6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	8.75	.00	.0	9.00	8.63	11.50	7.88	296	.38	.67	-43.3	11.8	.07	.8	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.82	10.7
Chefs Intl O	.69	.19	37.5	0.94	0.50	1.06	.38	1,541	.80	.46	73.9	NE	.00	.0	—	fiscal	01-85	4.0	-18.4	(1.8)	NE	(.09)	NE	20.9	-4.1	(2.7)	NE	(.14)	NE
Chi-Chi's M	10.88	.63	6.1	10.88	10.13	18.13	9.38	8,121	3.01	2.63	14.4	17.3	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	-40.9	.10	-28.6	149.2	27.3	12.1	-2.4	.45	-6.3
Chili's Inc M	26.13	-.63	-2.3	26.75	26.13	28.88	12.75	148	.32	2.37	-86.5	33.9	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch N	17.75	-.13	-.7	18.13	17.38	20.25	12.75	9,044	2.40	1.31	83.2	15.3	.44	2.5	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods N	23.50	1.88	8.7	23.75	21.50	23.75	11.75	2,122	1.61	.85	89.4	17.0	.16	.7	—	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev M	12.13	-3.63	-23.0	15.75	10.75	16.75	5.75	5,532	10.70	4.25	151.8	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	-100.0	(.23)	-100.0	30.2	9.4	(1.2)	-100.0	(.23)	-100.0
Consol Prdts M	4.00	-.25	-5.9	4.25	4.00	5.88	4.00	135	.41	.33	24.2	12.1	.08	2.0	—	6 mos.	03-85	18.6	-4.6	.0	NC	(.02)	NC	33.8	-3.4	.3	-25.0	.08	-20.0
Consul Restaurant M	3.63	-.13	-3.3	3.75	3.38	13.50	3.38	1,692	3.72	2.10	77.1	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	-100.0	(.72)	-100.0	63.0	32.6	(3.7)	-100.0	(.82)	-100.0
Cracker Barrel M	13.75	.75	5.8	13.75	13.00	23.50	11.75	251	.70	1.29	-45.7	19.1	.14	1.0	—	9 mos.	04-85	16.0	16.8	.3	-40.0	.07	-61.1	46.8	18.2	.9	-35.7	.26	-50.0
Cucos Inc O	4.50	-.25	-5.3	5.00	4.50	5.75	2.75	30	.17	.27	-37.0	34.6	.00	.0	—	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods M	11.38	.00	.0	11.50	11.38	14.63	8.00	2,803	.83	7.13	-88.4	27.7	.34	3.0	—	3 mos.	03-85	128.2	2.0	1.3	-76.8	.04	-76.5	128.2	2.0	1.3	-76.8	.04	-76.5
DLites Of Amer M	11.13	-.38	-3.3	11.50	11.13	15.50	10.63	656	1.29	2.77	-53.4	85.6	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts M	23.75	-.13	-.5	23.88	23.63	23.88	13.44	767	1.07	2.19	-51.1	17.6	.24	1.0	—	6 mos.	04-85	.7	-96.8	2.8	16.7	.38	15.2	24.7	-41.3	5.4	14.9	.74	15.6
El Chico M	11.63	.88	8.1	11.88	10.75	11.75	7.25	1,828	3.93	1.72	128.5	14.9	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	-5.0	61.8	7.1	2.7	.0	.58	-3.3
El Pollo Asa O	7.63	-.88	-10.3	8.50	7.63	9.50	2.75	367	2.18	3.41	-36.1	NE	.00	.0	—	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.30)	NE
El Torito Rest N	17.75	-.25	-1.4	18.38	17.63	19.25	9.75	986	.89	.86	3.5	17.4	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper O	.69	.00	.0	0.75	0.69	1.63	.63	159	.27	.41	-34.1	22.9	.00	.0	—	fiscal	12-84	2.0	25.0	.0	-100.0	.00	-100.0	8.0	31.1	.2	-33.3	.03	-50.0
Flakey Jakes M	5.50	-.25	-4.3	5.63	5.25	8.75	5.13	1,317	1.90	1.87	1.6	NE	.00	.0	—	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest O	2.50	.00	.0	3.50	2.50	7.38	2.50	27	.18	.28	-35.7	NE	.00	.0	—	fiscal	12-84	1.2	100.0	(.1)	NC	(.06)	NC	5.0	100.0	(.4)	NC	(.26)	-100.0
Fresher Cooker O	.63	.00	.0	1.00	0.63	6.75	.25	313	1.40	1.04	34.6	NE	.00	.0	—	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's A	24.63	.50	2.1	24.63	23.88	25.50	13.38	56	.13	.25	-48.0	20.9	.22	.9	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc M	6.25	-.63	-9.1	6.63	6.00	15.13	6.00	3,041	4.67	4.28	9.1	NM	.00	.0	—	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot M	2.63	-.25	-8.7	2.81	2.63	5.50	1.63	522	.87	1.56	-44.2	NE	.00	.0	—	3 mos.	03-85	16.3	-4.7	.4	NE	.07	NE	16.3	-4.7	.4	NE	.07	NE
Good Taco M	.69	-.06	-8.3	0.75	0.63	3.25	.25	276	.93	1.56	-40.4	NE	.00	.0	—	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet O	14.50	.25	1.8	15.00	14.25	15.25	10.50	6	.08	.29	-72.4	7.8	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	-11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	4.63	.00	.0	4.88	4.63	6.50	3.63	301	1.04	.90	15.6	NE	.00	.0	—	6 mos.	02-85	14.5	-8.8	(.4)	-100.0	(.12)	-100.0	28.9	-6.8	(.5)	-100.0	(.16)	-100.0
Intl Dairy Queen O	51.00	.50	1.0	53.00	50.00	51.00	39.00	21	.11	.11	.0	14.0	.00	.0	—	3 mos.	02-85	27.2	-2.2	.8	14.3	.38	18.8	27.2	-2.2	.8	14.3	.38	18.8
Intl King Tab M	18.75	.00	.0	19.00	18.50	24.75	13.41	1,391	4.84	2.97	63.0	13.4	.00a	.0	—	9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest M	14.13	.38	2.7	14.25	13.75	15.50	7.84	1,182	3.38	5.52	-38.8	17.7	.16	1.1	—	6 mos.	03-85	18.0	35.3	.3	.0	.07	-22.2	36.7	38.5	.9	.0	.24	-4.0
Jerrico Inc M	20.13	-.50	-2.4	20.75	20.13	21.50	13.50	3,821	2.42	3.99	-39.3	14.8	.12	.6	—	9 mos.	03-85	122.3	.2	4.3	-4.4	.27	-6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp A	3.25	.25	8.3	3.38	3.00	3.88	1.13	596	2.66	1.53	73.9	5.1	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	13.88	-.13	-.9	14.38	13.75	29.63	13.50	1,266	1.79	2.06	-13.1	8.5	.00	.0		fiscal	01-85	75.3	8.2	1.4	-33.3	.20	-28.6	331.4	14.4	11.6	.9	1.64	1.2
Kelly-Johnston M	.38	.00	.0	0.56	0.31	5.00	.25	1,950	2.29	2.74	-16.4	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	-100.0	.44	193.3	60.3	93.9	(13.5)	-100.0	.00	-100.0
Lifestyle Rest A	2.13	-.25	-10.5	2.38	2.13	3.50	1.75	195	.34	.44	-22.7	NE	.00	.0	—	3 mos.	01-85	17.1	-10.9	(2.5)	NE	(.44)	NE	17.1	-10.9	(2.5)	NE	(.44)	NE
Luby's Cafe N	31.00	.13	.4	31.13	30.13	32.50	24.00	361	.30	.66	-54.5	20.0	.54	1.7	NEW	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	17.38	-.25	-1.4	17.50	17.38	18.25	12.25	87	.17	.52	-67.3	11.3	.28	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	93.00	-.75	-.8	93.50	93.00	95.13	64.88	1,858	.72	.59	22.0	17.3	.54	.6	—	3 mos.	03-85	874.2	17.5	27.7	20.4	1.04	25.3	874.2	17.5	27.7	20.4	1.04	25.3
Maverick Rest O	3.50	.00	.0	3.75	3.50	6.25	2.25	28	.06	.41	-85.4	43.8	.00	.0	—	fiscal	01-85	2.6	62.5	(.2)	-100.0	(.05)	-100.0	10.9	73.0	.4	-33.3	.08	-38.5
Max & Erma's O	3.00	.00	.0	3.50	3.00	4.75	2.50	41	.23	.25	-8.0	NE	.00	.0	—	3 mos.	01-85	4.8	9.1	.1	NE	.03	NE	4.8	9.1	.1	NE	.03	NE
McDonald's Cp N	67.38	.50	.7	69.75	66.88	69.75	44.69	9,739	1.13	1.02	10.8	15.3	.90	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures M	10.38	-.13	-1.2	10.50	10.38	12.25	9.63	340	.70	.68	2.9	15.3	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc M	20.00	.25	1.3	20.00	19.63	20.25	15.50	2,185	1.65	1.47	12.2	13.3	.48	2.4	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak O	2.00	.00	.0	2.13	1.88	3.13	1.13	225	.47	.90	-47.8	NE	.00	.0		6 mos.	03-85	.9	-94.8	(.2)	NC	(.05)	NC	14.8	-54.7	(.1)	NC	(.03)	-100.0
Nankin Express O	.63	.00	.0	0.88	0.63	2.38	.63	267	1.19	.84	41.7	NE	.00	.0	—	fiscal	01-85	.3	200.0	(.3)	NE	(.15)	NE	1.0	66.7	(.9)	NE	(.40)	NE
Nathans M	3.38	-.25	-6.9	3.75	3.38	4.50	2.00	65	.29	.69	-58.0	10.5	.00a	.0	NEW	fiscal	03-85	5.5	34.1	(.2)	NE	(.07)	NE	22.7	13.5	.7	75.0	.32	68.4
Natl Pizza M	10.00	.50	5.3	10.25	9.50	10.00	7.50	1,856	3.35	.92	264.1	14.3	.00	.0	—	fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc M	4.75	.13	2.7	4.88	4.63	10.13	4.50	1,019	2.24	2.38	-5.9	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	16.50	.00	.0	17.00	16.50	17.00	11.88	9	.15	.48	-68.8	47.1	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.21)	-100.0	4.7	4.4	(.1)	NC	(.21)	-100.0
1 Potato 2 O	1.31	-.31	-19.2	1.63	1.31	8.25	1.25	98	.45	.64	-29.7	NE	.00	.0		fiscal	01-85	4.4	NC	(4.5)	NC	(2.08)	NC	15.4	NC	(6.0)	NC	(2.77)	-100.0
Old Fashion Fd M	4.50	.00	.0	4.50	4.50	6.00	4.00	22	.16	.47	-66.0	9.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	-28.6	10.3	30.4	.5	-16.7	.34	-22.7
Pancho Mex Buffet M	7.88	.00	.0	8.00	7.75	8.38	6.00	519	1.40	3.20	-56.3	14.3	.13	1.7	—	6 mos.	03-85	8.5	11.8	.4	.0	.11	-8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants M	.31	.00	.0	0.31	0.25	2.00	.25	2,457	2.85	1.97	44.7	NE	.00	.0	—	6 mos.	12-84	5.5	-69.6	(17.1)	NE	(1.97)	NE	13.8	-54.0	(20.4)	-100.0	(2.36)	-100.0
Piccadilly Caf M	22.63	-.13	-.5	22.75	22.38	24.25	16.50	413	.88	.90	-24.4	14.3	.80	2.7	—	9 mos.	03-85	44.0	2.6	1.3	-40.9	.21	-41.7	138.8	8.1	7.0	18.6	1.16	18.4

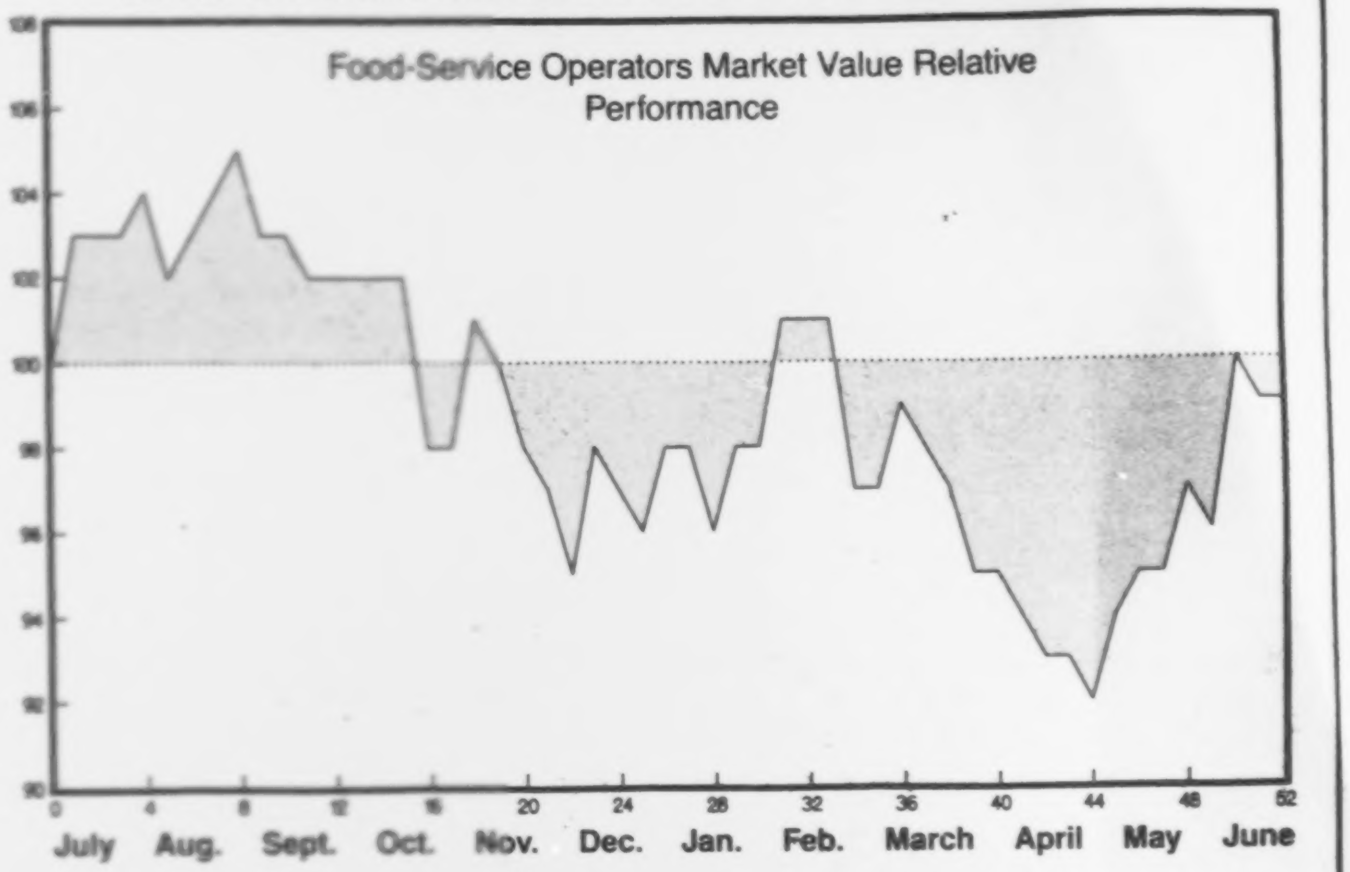
NRN *STOCK INDEX*



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN *STOCK INDEX VS. DOW JONES INDEX*



Company and Market		Stock Market											Financial Update																	
		Price							Volume				P/E Ratio	Indicated Div. Rate		Latest Report			Latest Quarter						Year-to-Date					
		6-21-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
			Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn	A	8.00	.13	1.6	8.75	7.75	12.75	6.88	331	1.09	.85	28.2	26.7	.08	1.0	—	3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6
Po-Folks	M	10.38	.25	2.5	10.38	9.88	16.63	8.75	379	.86	.63	36.5	14.8	.00	.0	—	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys	N	11.00	- .13	- 1.1	11.38	10.75	21.50	10.75	3,276	3.40	1.92	77.1	24.4	.40	3.6	—	3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc	O	1.75	.00	.0	2.00	1.75	4.63	1.75	152	.45	.72	- 37.5	NE	.00	.0	—	6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants	M	8.00	- .50	- 5.9	8.50	7.50	16.38	7.50	750	1.11	.74	50.0	19.5	.00	.0	—	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc	A	8.25	- .38	- 4.3	8.63	8.25	8.88	5.38	94	.33	.52	- 36.5	15.0	.00	.0	—	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Rest Mgmt	M	16.75	.75	4.7	17.25	16.00	17.75	9.00	258	1.62	1.70	- 4.7	17.6	.00	.0		6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems	M	15.25	.00	.0	15.25	14.50	16.50	10.00	426	1.84	1.03	78.6	16.8	.00	.0		3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D	M	2.38	- .13	- 5.0	2.50	2.13	7.00	1.75	222	.43	.55	- 21.8	NE	.00	.0	—	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican	M	17.00	.00	.0	17.25	17.00	18.25	11.00	144	.51	.68	- 25.0	23.0	.00	.0	—	9 mos.	04-85	13.0	38.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam	M	17.00	- 1.00	- 5.6	18.00	16.75	19.25	11.34	2,004	2.89	1.65	75.2	30.9	.00	.0	—	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp	N	26.75	- .63	- 2.3	27.25	26.13	35.50	24.50	888	.68	1.25	- 45.6	10.7	.52	1.9	—	3 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef	M	7.63	.38	5.2	7.63	7.13	9.00	6.75	112	.89	.60	48.3	13.4	.00	.0	—	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley	M	8.63	- .38	- 4.2	8.88	8.63	10.25	6.50	483	1.32	2.43	- 45.7	4.0	.00	.0	—	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc	M	30.25	.75	2.5	30.25	29.50	31.88	19.31	3,775	1.33	.96	40.0	25.4	.15	.5		6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South	M	13.13	- .13	- .9	13.25	13.00	16.59	12.75	127	.23	1.17	- 80.3	12.4	.00	.0	—	3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp	M	4.50	- .25	- 5.3	4.75	3.75	6.75	3.25	24	.15	.37	- 59.5	NE	.00	.0	—	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl	M	23.00	- .25	- 1.1	23.75	22.75	24.00	12.00	237	.35	.99	- 64.6	15.9	.00	.0		fiscal	04-85	42.6	13.0	2.9	16.0	.42	16.7	159.5	11.9	9.9	23.8	1.45	23.9
Skippers	M	10.25	.00	.0	10.25	9.50	12.50	8.00	328	1.20	1.21	- .8	11.4	.06	.6	—	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality	M	5.00	- .38	- 7.0	5.38	5.00	5.88	3.88	905	1.81	2.31	- 21.6	14.3	.00	.0	—	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face	O	.69	.00	.0	0.81	0.69	1.44	.59	580	.38	.54	- 29.6	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc	O	1.50	- .13	- 7.7	1.75	1.50	3.50	1.50	131	.41	.39	5.1	NE	.00	.0	—	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa	O	5.50	.00	.0	6.00	5.50	7.75	4.75	30	.08	.21	- 61.9	19.0	.00	.0	—	3 mos.	03-85	8.8	22.2	.3	.0	.07	- 12.5	8.8	22.2	.3	.0	.07	- 12.5
Taco Viva	M	5.88	.00	.0	5.88	5.63	7.50	4.66	204	.60	1.10	- 45.5	17.3	.00	.0	—	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's	N	10.13	- .13	- 1.2	10.38	10.00	12.88	7.88	832	.72	.88	5.9	15.1	.00	.0	—	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas	O	2.00	- .25	- 11.1	2.50	2.00	3.50	2.00	18	.12	.07	71.4	NE	.00	.0	—	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
TCBY	M	18.75	.00	.0	19.00	17.38	20.50	1.81	998	2.29	4.80	- 52.3	78.1	.00	.0	—	3 mos.	02-85	2.0	185.7	.2	NC	.04	300.0	2.0	185.7	.2	NC	.04	300.0
Transworld	N	36.88	- 1.25	- 3.3	38.13	36.50	39.00	25.13	4,931	1.39	2.09	- 33.5	12.0	.48	1.3	—	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes	M	5.00	.75	17.6	5.50	4.13	5.75	2.75	2,005	3.19	1.95	63.6	14.3	.28	5.6	—	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants	M	25.25	.63	2.5	25.25	24.88	28.25	13.25	1,116	1.68	5.91	- 71.6	19.0	.12	.5	—	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations	M	3.13	.13	4.2	3.13	2.75	7.38	2.13	1,343	3.79	2.91	30.2	NE	.00	.0	—	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl	N	17.75	- .38	- 2.1	18.13	17.50	19.13	12.19	9,480	1.29	1.40	- 7.9	18.5	.21	1.2	—	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer	M	9.00	.00	.0	9.25	9.00	12.00	9.00	49	.40	.24	66.7	15.0	.20	2.2	—	fiscal	02-85	14.4	26.3	.2	- 33.3	.22	15.8	45.4	25.8	.7	- 41.7	.60	- 41.2
Winners Cp	N	6.75	.00	.0	6.88	6.38	13.38	5.13	468	1.04	1.67	- 37.7	48.2	.00	.0	—	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																														
Brock Hotel Cp	N	3.13	- .13	- 3.8	3.25	3.00	5.63	1.88	848	.64	.97	- 34.0	NE	.10	3.2	—	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels	N	65.38	.75	1.2	65.38	63.00	73.50	45.50	2,047	.83	2.19	- 62.1	14.3	1.80	2.8	—	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns	N	53.00	.13	.2	53.38	51.88	57.63	35.25	3,175	1.11	1.72	- 35.5	13.3	1.00	1.9	—	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn	N	29.75	- .38	- 1.2	30.50	29.50	32.75	13.69	1,099	.57	.87	- 34.5	26.3	.09	.3	—	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns	N	6.75	.25	3.8	6.88	6.38	8.25	5.13	4,482	1.20	1.86	- 35.5	84.4	.00	.0	—	3 mos.	03-85	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0
Servico Inc	M	22.50	1.50	7.1	22.50	20.75	22.50	14.78	423	1.21	.71	70.4	14.2	.00a	.0	—	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl	O	22.50	.00	.0	25.00	22.50	27.00	18.00	2	.01	.07	- 85.7	7.6	.40	1.8	—	3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																														
Allegheny Bev	M	18.63	- .13	- .7	19.25	18.13	22.63	14.25	425	.71	2.97	- 76.1	18.4	.40	2.1	—	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut	N	8.25	- .13	- 1.5	8.50	8.13	11.75	7.25	175	.37	.84	- 56.0	NM	.48	5.8	—	9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 71.4	87.1	.2	.4	- 60.0	.09	- 59.1
Disney, Walt	N	89.88	2.25	2.6	90.38	87.13	90.50	45.25	6,719	2.03	1.54	31.8	62.4	1.20	1.3	—	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Esteban Foods	O	2.13	- .50	- 19.0	2.63	2.13	2.75	1.13	113	.48	.75	- 36.0	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills	N	59.25	.88	1.5	59.88	57.88	60.63	47.75	4,041	.91	1.84	- 50.5	35.1	2.24	3.8	—	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R	N	39.88	- 1.75	- 4.2	41.63	39.63	44.50	38.50	6,797	1.40	.98	42.9	10.5	2.80	7.0	—	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart	A	9.25	- .63	- 6.3	10.00	9.00	16.19	8.63	1,122	.91	1.23	- 26.0	17.8	.00a	.0		3 mos.	03-85	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0
Ogden Corp	N	28.63	.75	2.7	28.88	26.50	31.88	24.13	1,664	.87	.69	26.1	13.8	1.80	6.3	—	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc	N	59.38	.38	.6	59.38	57.38	60.13	39.88	19,553	2.04	1.90	7.4	15.5	1.78	3.0	—	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co	N	56.00	.63	1.1	56.63	55.13	56.63	34.50	2,817	.65	.76	- 14.5	12.7	1.56	2.8	—	9 mos.	02-85	1171.2	13.1	39.5	9.1	.91	9.6	3451.2	11.7	144.5	17.4	3.33	17.7
Restec Systs	O	3.50	.00	.0	4.00	3.50	5.00	3.50	77	.43	.10	330.0	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Vie de France	M	9.00	.63	7.5	9.00	8.25	15.25	8.13	4,683	4.30	1.08	330.0	15.3	.23	2.6	—	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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Operators plan to continue use of imported pasta despite cost
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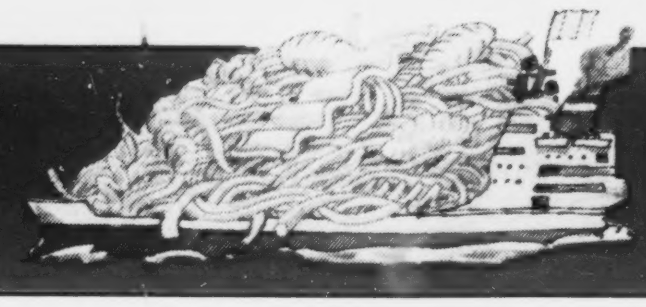

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Copeland beefs up Popeyes

Eyes expansion of dinnerhouses

By Mark Schoifet

Alvin Copeland

JEFFERSON, La. — Al Copeland put his hands behind his neck and leaned back in his plush office chair. It was a moment of quiet reflection for a man who seems permanently locked in high gear.

In just a few hours, he would join several hundred of his employees at a lavish party to celebrate the 13th anniversary of the chain he started from scratch, Popeyes Famous Fried Chicken.

"I look back, and I say, 'Man, God must have picked me out and blessed me, because I don't know what I did to deserve all this,'" Copeland said.

For 41-year-old Alvin Copeland, a 10th-grade dropout and former donut cutter, "all this" is Popeyes, one of the largest privately held franchising operations in the food-service industry, with more than $350 million in estimated annual sales. It is also Copelands, the four-unit chain of Cajun-American dinnerhouses that is gearing for national expansion. And it is a flamboyant lifestyle—including a rec-

*(See **COPELAND**, page 45)*

Labeling plan resurfaces

Chains face ingredient disclosure rules

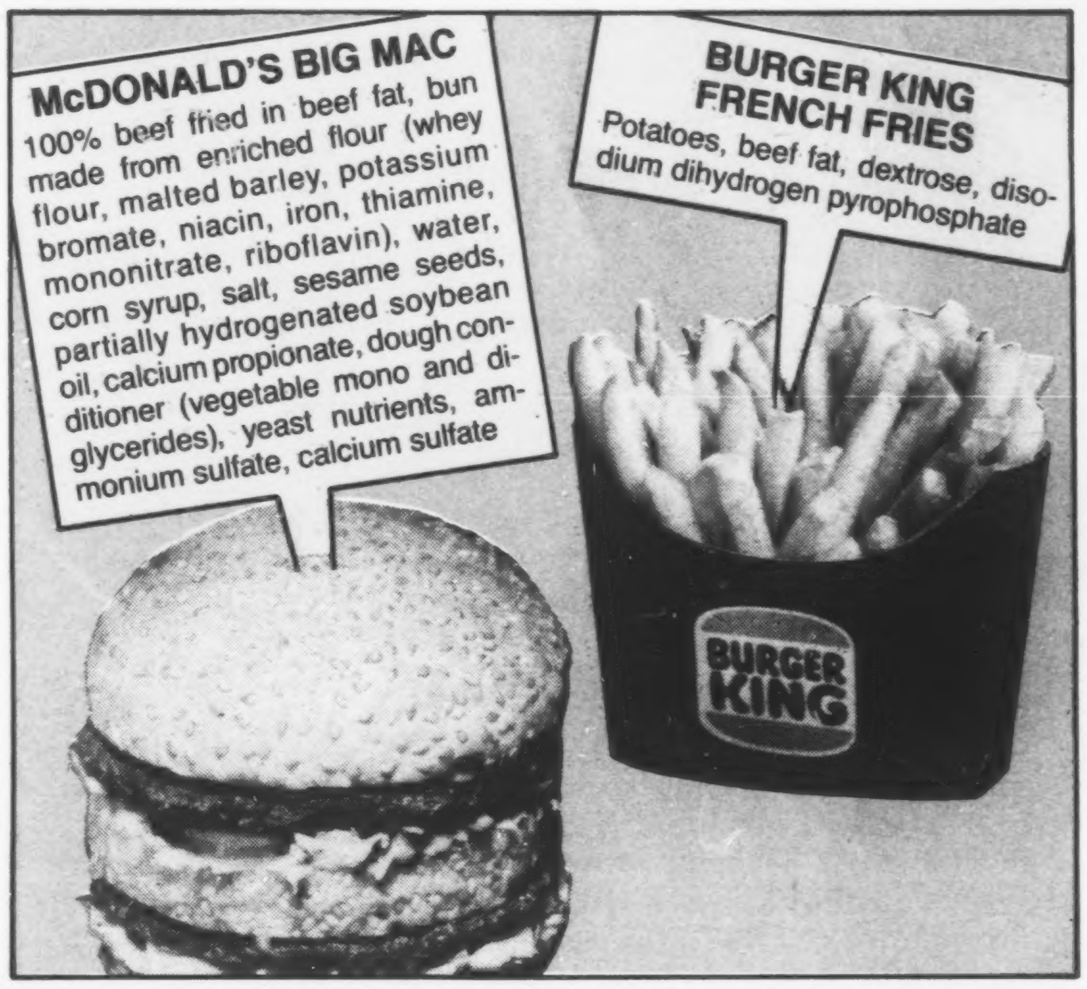
By Ken Rankin

WASHINGTON — A sweeping new Federal rule requiring ingredient labeling of virtually all fast-food menu items—a nightmare that restaurant industry lobbyists thought was safely buried six years ago—is back under active consideration here.

The Center for Science in the Public Interest resurrected the labeling plan via petitions filed late last month, asking Reagan Administration food regulators to "lift the veil of secrecy from fast foods."

In separate petitions to the Food and Drug Administration of the U.S. Department of Agriculture, representatives from the Washington-based consumer group charged that "a variety of health problems

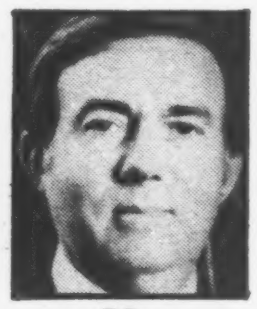
*(See **LABELING**, page 67)*


McDONALD'S BIG MAC
100% beef fried in beef fat, bun made from enriched flour (whey flour, malted barley, potassium bromate, niacin, iron, thiamine, mononitrate, riboflavin), water, corn syrup, salt, sesame seeds, partially hydrogenated soybean oil, calcium propionate, dough conditioner (vegetable mono and diglycerides), yeast nutrients, ammonium sulfate, calcium sulfate
BURGER KING FRENCH FRIES
Potatoes, beef fat, dextrose, disodium dihydrogen pyrophosphate
BURGER KING

Hipp, May share reins at Gilbert/Robinson

By Ken Frydman

Hipp



May

KANSAS CITY, Mo. — Gilbert/Robinson's restaurant operations have been divided into two divisions, with Frederick Hipp, 35, at the helm of the 50-unit Houlihan's chain, and Richard May, 48, heading the 30-unit specialty restaurant group.

Before their promotions to presidents of the newly created divisions, Hipp had been executive vice president of Gilbert/Robinson and May senior vice president. They replace Ken Hill, who resigned last month as Gilbert/Robinson president.

Despite the split, Gilbert/Robinson will remain in Kansas City as an "independent and autonomous subsidiary" of New York-based W. R. Grace & Co., Hipp said.

Hill a 12-year Gilbert/Rob-

*(See **HIPP**, page 67)*

Peoples restaurants files for Chapter 11

RICHARDSON, Tex. — Peoples family restaurant chain has filed for protection from creditors under Chapter 11 of the Federal Bankruptcy Code.

Peoples had unsuccessfully attempted to raise $3 million to $5 million in refinancing through a stock offering to shareholders and by signing franchise and conversion agreements with two other chains, Capt. Crab and Studebaker's.

In the six-month period ended last Dec., Peoples lost $20.4 million on $14.4 million in revenue. The chain now op-

*(See **PEOPLES**, page 67)*

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Stein builds food-service muscle

Savvy merchandising packs Prima Donna

By Paul Frumkin

NEW YORK — The former owner of a chic downtown disco is rocking the midtown restaurant scene with a combination of savvy menu merchandising, affordable prices and easygoing service.

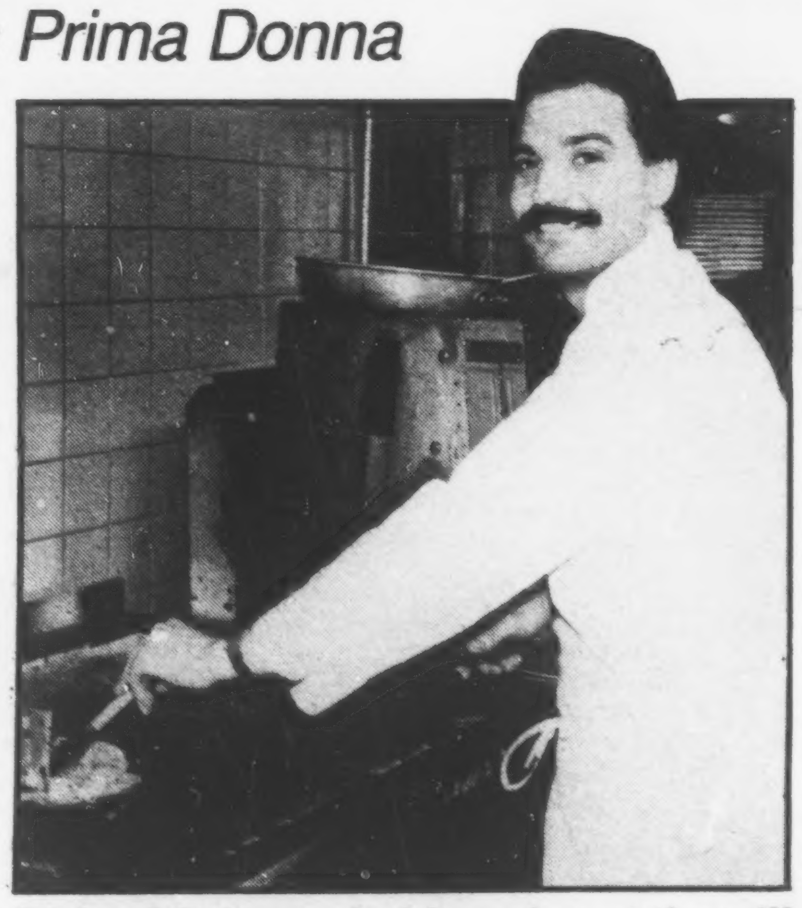
Howard Stein, the former rock 'n' roll promoter who for seven years had New Yorkers lining up to spend money at his fashionable disco, Xenon, has the folks lining up again—this time to get a table at his new restaurant on East 58th Street, Prima Donna.

Figures for the first five months of operation appear to surprise even Stein himself. The 200-seat restaurant is currently doing about 600 covers daily, seven days a week, and repeat customers already account for more than 50% of his business.

"I told investors recently that we'll probably exceed our first year's anticipated gross of $4 million," Stein said exuberantly.

And that, he was quick to point out, has been

*(See **STEIN**, page 13)*



Richard Gaimao, chef de cucina, at the grill at New York's Prima Donna restaurant.

Skipper's backs $8M loan to Zackly's parent

Seen as first step to potential merger

By Alan Liddle

BELLEVUE, Wash. — Initiating a merger, Skipper's, the 180-unit Washington-based fast-seafood chain, has agreed to lend or guarantee loans of $8 million to CulCon Systems of Florida, owner of Zackly's "country cooking" restaurants and a Pizzeria Uno franchisee.

Eugene Stone, Skipper's president, said his company's board of directors voted to guarantee the money on June 19. That action gives Skipper's the option to acquire CulCon through an exchange of stock anytime before Dec. 31, 1987. If Zackly's and the franchised pizza operation meet specified performance goals by that date, Stone said Skipper's must acquire CulCon.

"We'll probably guarantee [loans] more than we'll loan," the Skipper's official said.

Though CulCon shareholders must approve the merger, Donald Perlyn, the company's president and a Skipper's director, has reportedly briefed them on the deal and received their tentative approval.

The arrangement provides CulCon with money for growth and Skipper's corporate personnel for Zackly's march westward. Skipper's views the deal as a way to "invest in exciting new restaurant concepts," broaden its food-service base and gain corporate offices on the East Coast, where fast-seafood segment leader Long John Silver's and number-two Captain D's dominate.

"We're conducting ourselves as if the merger has been completed," Stone said, explaining it would be counterproductive to take a "hands-off" approach until CulCon performs as specified in the agreement. "We think of ourselves as merged."

*(See **SKIPPER'S**, page 67)*

Restaurateurs say they'll stick to imported pasta despite tariff

By Paul Frumkin

NEW YORK — Restaurateurs already using premium imported pasta said it is unlikely they would switch to a domestic product despite price hikes expected from President Reagan's sharply increased tariffs on European-made pasta.

However, the 40% tariff, which is scheduled to take effect on July 4, may force some operators to pass the increase along to customers in the form of higher menu prices.

Those operators contacted cited superior taste and texture as a basis for their decision to stick with the premium imported pasta.

"I have no intention of using a domestic brand," said Lidia Bastianich, co-owner of Felidia, a northern Italian restaurant in New York. "Imported pasta is much better.

"But I'm using about 30 lb. a week, and a price increase could be expensive for me," she continued. "I may not raise prices right away, but I will have to eventually."

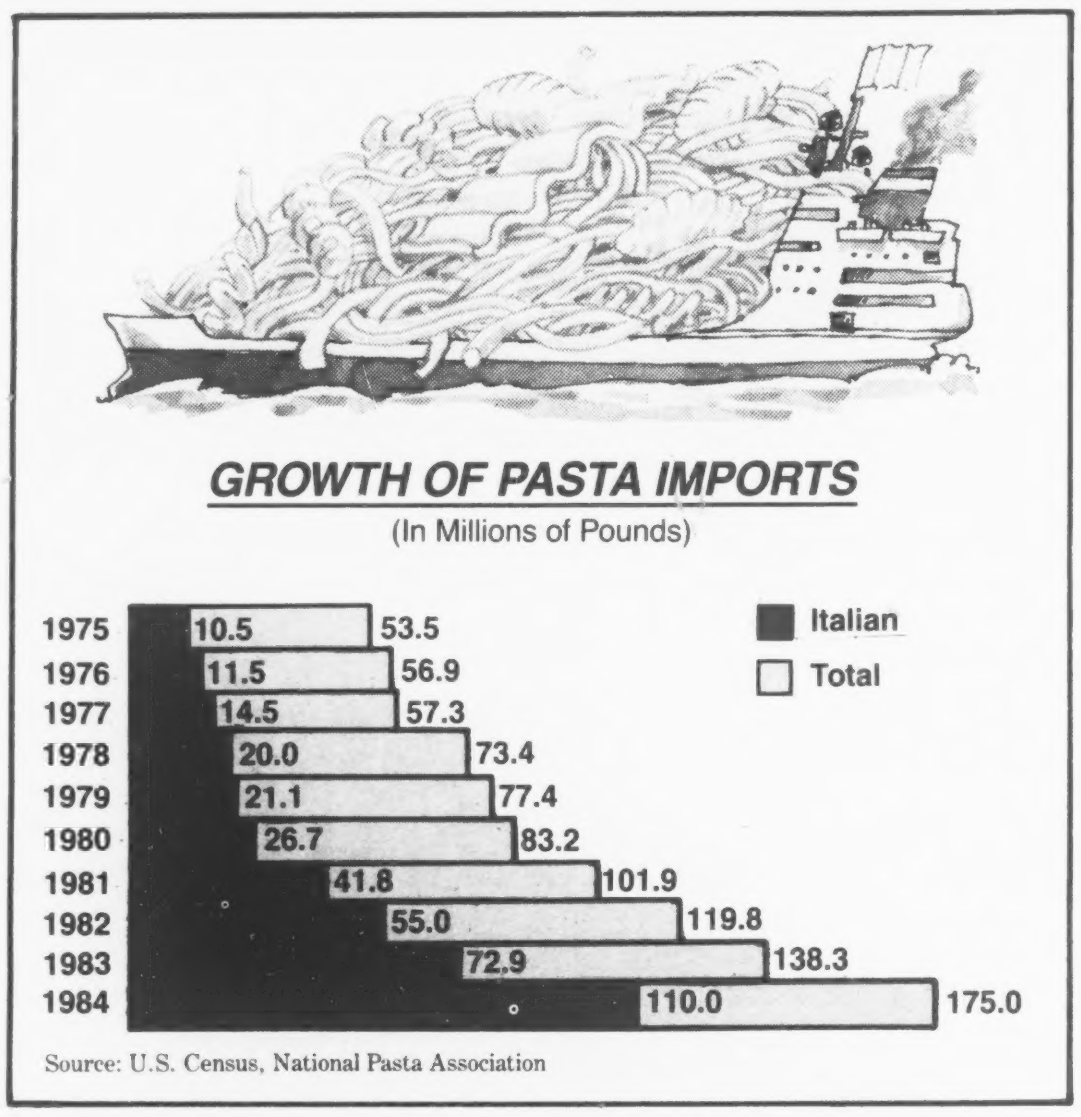
Jan Ahern, floor manager of Chicago's Spiaggia, said the restaurant would continue to use 20 to 25 lb. of imported pasta a week, "but we'll probably have to cost out each dish and reconsider the menu prices."

Vincent Bommarito, co-owner of Tony's in St. Louis, said: "I'd prefer to use domestic, but imported pasta is better. We'll probably absorb the cost hikes initially, but those costs will have to be passed on somewhere along the line."

But because those restaurateurs serving imported pasta tend not to use it exclusively, the price increase is not expected to take a devastating toll on their bottom line. Finer Italian restaurants often serve it as an adjunct to their homemade pasta—and usually in smaller quantities.

A large majority of the pasta dishes served at Felidia are prepared with pasta made from scratch, Bastianich said. At Spiaggia about 10% of the pasta served is imported. "We use

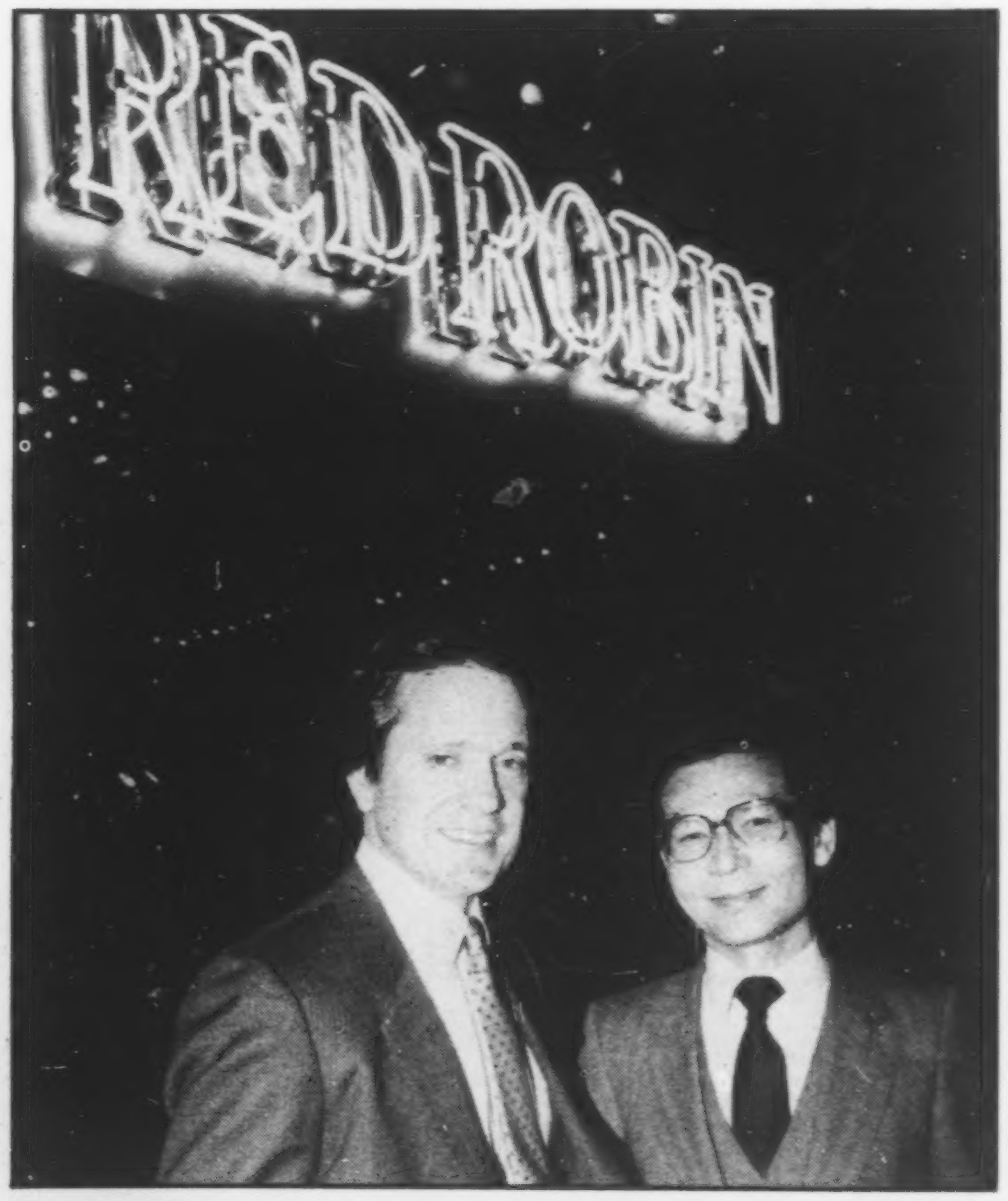
*(See **PASTA**, page 67)*



GROWTH OF PASTA IMPORTS

(In Millions of Pounds)

Source: U.S. Census, National Pasta Association



Gerald Kingen (left), founder and chairman of Red Robin, with Isamu "Sam" Nakashima, vice president of Skylark Co.

Red Robin seeks Far East aid

Japanese methods sought to find top managers

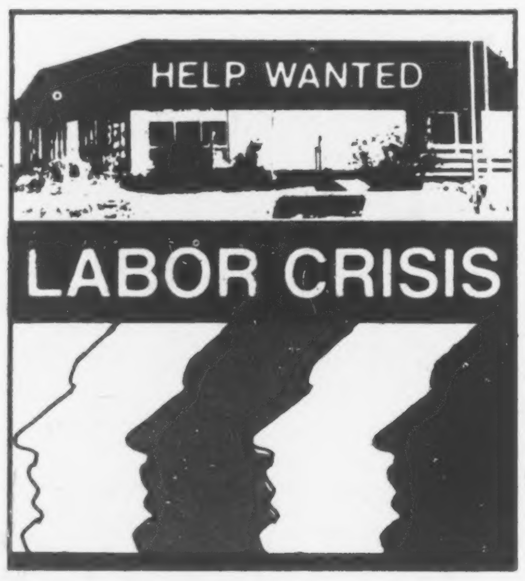
By Alan Liddle

SEATTLE, Wash. — Searching for ways to improve the quality and increase the quantity of employees, Red Robin, a 23-unit full-service "gourmet" hamburger chain, has turned for help to the Land of the Rising Sun.

Like many U.S.-based restaurant companies, Red Robin's plans to become a national chain are endangered by the looming labor shortage. It wants to add 15 units this year and reach the 200-unit level by 1989.

Unlike most American chains, however, Red Robin has a Japanese partner, Skylark Co. Ltd., Japan's largest restaurant concern. Skylark now owns 30% of Red Robin and has options to buy up to 20% more. The Japanese company is already offering some Red Robin menu items at its own restaurants and plans to open franchised units in Tokyo this year.

Red Robin officials, including Isamu "Sam" Nakashima, Skylark's representative, and Chris Stark, the company's new vice president of human resources, are developing a hybrid Japanese-American management and personnel system. It combines Japanese business philosophy with American business' use of monetary incentives (profit sharing) and its willingness to lure away employees from other companies.



Nakashima, an author and expert on retailing in Japan and the United States, says Red Robin is striving for something akin to the lifetime employment system of many major Japanese companies.

Historically, American restaurant executives and managers have bounced from one company to the next as their careers progressed or suffered setbacks. The phenomenon has left industry trade journals resembling the sports pages of daily newspapers; each issue brings new reports of which athlete-executive has moved to which franchise.

Billy Martin, the on-again, off-again manager of the New York Yankees and a half dozen other baseball teams, would be hard-pressed to match the employment record of some food-service executives.

The annual turnover rate of

*(See **RED ROBIN**, page 16)*

LeRoy plans huge Washington restaurant

By Charles Bernstein

WASHINGTON — Warner LeRoy is at it again.

The restaurant-entertainer impresario plans to open by December a massive restaurant to be called Potomac on the Potomac River at the Washington Harbor here.

His own initial $5.5 million investment plus a $3.5 million investment by the landlord would put it in the same league as LeRoy's Tavern on The Green in Central Park.

"Potomac is envisioned for 750 seats inside and 400 seats outside," LeRoy declared. "If people again think I'm building a monument, it certainly will be a profitable one." He is transferring his Maxwell's Plum chef Michael Bourdeaux to be the Potomac chef.

LeRoy disclosed that he has been repeatedly approached by the owners of the troubled Maxwell's Plum of San Francisco, where he once had a management contract from the Hardwicke Companies, to take over ownership himself. "I doubt that I'll do it," he said. "It's just too huge [23,000 sq. ft.] a nut to handle and has marketing and banquet problems."

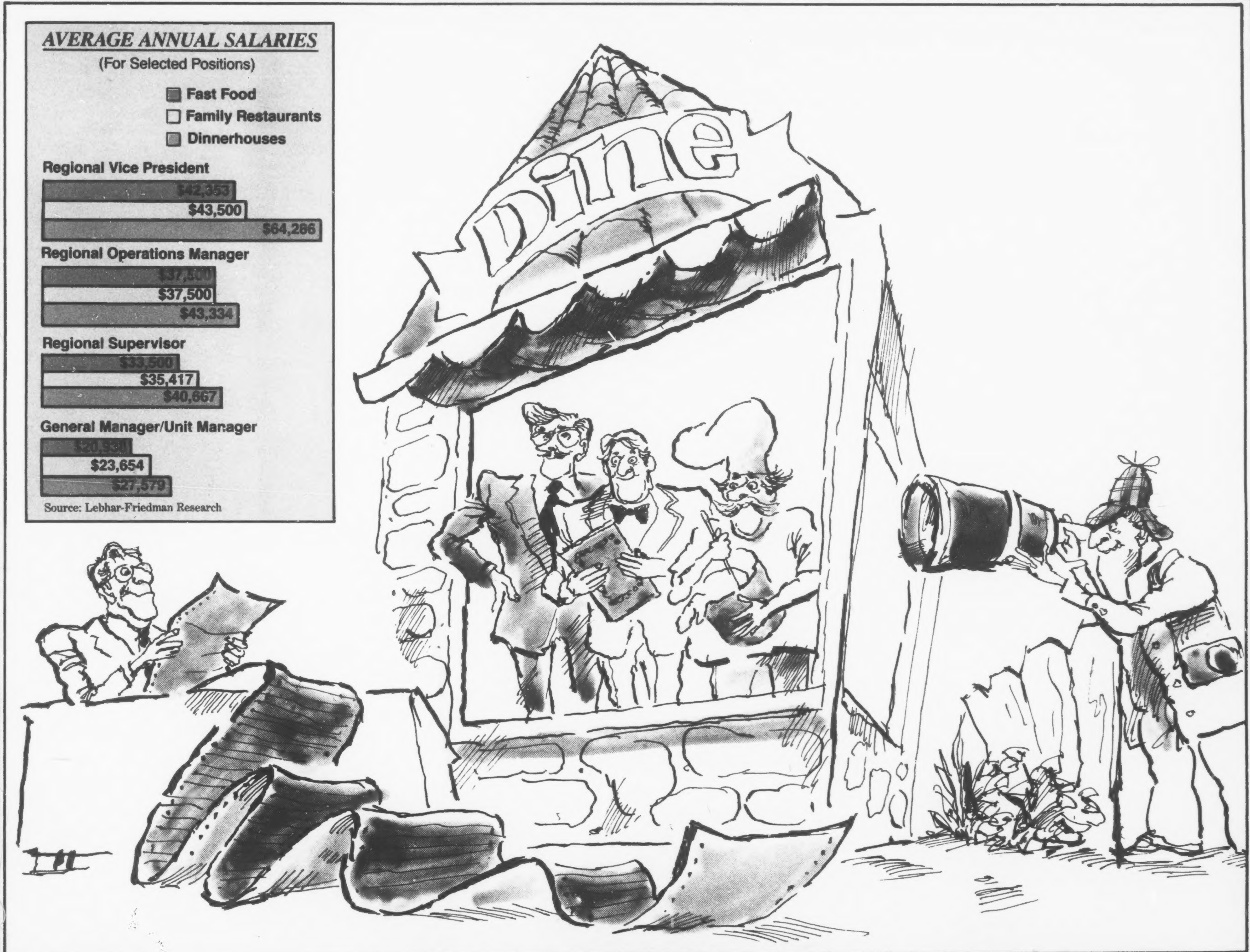
Conservative estimates place the initial investment in the San Francisco restaurant several years ago at $5.2 million and possibly as high as $8 million (if everything involved is included).

Meanwhile, LeRoy is bringing in Spago chefs Mark Peel and Nancy Silverton to juice up his 19-year-old original Maxwell's Plum in New York. He also is eying the eventual launching of a $12 million restaurant and outdoor terrace plus $6 million in food kiosks and other adornments in Bryant Park near the New York Public Library.

Warner LeRoy

Nation's
Restaurant News

FOCUS



FIELD COMPENSATION

IN THIS SECTION . . .

Port: Logical Progression For the Bordeaux Lover

Restaurant News Quiz

White Kastle
mini- White Kastle burger 14¢

A "mini White Kastle": No relation to White Castle.

FLASHBACK

Battle of the Castles

COVER STORY

COMPENSATION STUDY: DINNERHOUSES LEAD PACK

***NRN* Special Report**

Dinnerhouse chains pay their field and unit-level managers significantly higher average annual salaries than do fast-food and family restaurant chains, according to a wage-and-benefits study commissioned by *Nation's Restaurant News*.

Salary differences between fast-food and family restaurant chains were not nearly so great as the gap between dinnerhouses and all other chains.

In the awarding of bonuses, dinnerhouses again proved to be more generous on the average than the other segments of the industry, the survey showed.

The survey was conducted by Lebhar-Friedman Research, which is owned by Lebhar-Friedman Inc., the parent company of *Nation's Restaurant News*. A total of 151 confidential telephone interviews were made: 60 to fast-food chains, 51 to family restaurants and 40 to dinnerhouses. An additional 34 interviews were conducted on specific salary and bonus information. The findings in this report are limited mostly to field-level and unit-level management.

For the top field-level position, regional vice president, the average dinnerhouse chain paid $64,286, which was 47% higher than what the average family restaurant chain paid—$43,500—and 51% higher than the fast feeder—$42,353.

> *'The regional operations manager of a dinnerhouse chain averaged $43,334, while his counterparts at both fast-food and coffee shop chains averaged $37,500.'*

At other field and unit positions, the differences were not so profound.

For example, the regional operations manager of a dinnerhouse chain averaged $43,334, while his counterparts at both fast-food and coffee shop chains averaged $37,500. The same pattern was found at the regional supervisor's slot. At a dinnerhouse he earned $40,667, and at the fast-feeder and family restaurant, $33,500 and $35,417 respectively.

A marked change was found at the regional marketing manager level. Average salaries varied widely. The dinnerhouse manager averaged only $25,000, while his peer at a fast-food chain made $32,500. At the family restaurant chain, the salary was a comparatively whopping $55,000, which possibly indicated some discrepancy in the sample.

Regional managers of franchise operations had average salaries ranging from a low of $26,000 at the dinnerhouses to $37,222 at the fast-food chains.

Salaries were nearly comparable for all three segments at the regional personnel manager level: $27,500 at a fast feeder, $27,000 at a coffee shop and $25,000 at a dinnerhouse.

On the unit management level dinnerhouse personnel also did better on the average than did their equals at the other types of chains.

Unit manager salaries ranged from an average $20,938 at fast-food chains to $27,579 at dinnerhouses. For the chief chef's or expeditor's position, the fast-food to dinnerhouse range was from $18,500 to $24,400.

The rankings of the salaries at the first and second assistant manager levels were essentially the same—$20,000—with the highest average salaries reported at the coffee shops and dinnerhouses.

10 PIECE BOX 5.30
15 PIECE BOX 7.90
20 PIECE BOX 10.50
SIDE ORDERS
FRENCH FRIES .40 .55
ONION RINGS .60
COLE SLAW .40
TURNOVERS .35
HAMBURGER
CHEESEBURGER
FISH SANDWICH

AVERAGE ANNUAL SALARIES: FAST FOOD

(For Selected Field and Unit Management Level Positions)

Field Management Level:	
Regional Vice President	$42,353
Regional Operations Manager	37,500
Regional Supervisor	33,500
Regional Marketing Manager	32,500
Regional Manager Franchise Operations	37,222
Regional Personnel Manager	27,500
Unit Level:	
General Manager/ Unit Manager	20,938
Chief Chef/Expeditor	18,500
First Assistant Manager	15,167
Second Assistant Manager	15,357

Source: Lebhar-Friedman Research

AVERAGE ANNUAL SALARIES: DINNERHOUSES

(For Selected Field and Unit Management Level Positions)

Field Management Level:	
Regional Vice President	$64,286
Regional Operations Manager	43,334
Regional Supervisor	40,667
Regional Marketing Manager	25,000
Regional Manager Franchise Operations	35,000
Regional Personnel Manager	25,000
Unit Level:	
General Manager/ Unit Manager	27,579
Chief Chef/Expeditor	24,400
First Assistant Manager	20,000
Second Assistant Manager	18,929

Source: Lebhar-Friedman Research

AVERAGE ANNUAL SALARIES: FAMILY RESTAURANTS

(For Selected Field and Unit Management Level Positions)

Field Management Level:	
Regional Vice President	$43,500
Regional Operations Manager	37,500
Regional Supervisor	35,417
Regional Marketing Manager	55,000
Regional Manager Franchise Operations	27,000
Regional Personnel Manager	26,000
Unit Level:	
General Manager/ Unit Manager	23,654
Chief Chef/Expeditor	20,000
First Assistant Manager	20,000
Second Assistant Manager	17,728

Source: Lebhar-Friedman Research

Dinnerhouse managers receive bigger bonuses

As they did with salaries, dinnerhouse field and unit level managers earned more in bonuses on the average than did managers of fast-food chains.

The most significant difference was at the regional vice president's position, where the average dinnerhouse executive earned more than three times the bonus that the fast-food manager received. The average figures were $14,750 and $4,743.

In most cases the figures for family restaurants were statistically insignificant because of a small sample.

The incidence of awarding bonuses was fairly even among field level managers at fast-food chains. For the six different regional positions, the incidence varied only from 57% to 65%.

But at dinnerhouse chains there was a wide variance. The study showed that 89% of dinnerhouse regional operations managers received bonuses, while just 33% of those chains' regional marketing and regional personnel managers got them. For family restaurant chains the range was much narrower than at the dinnerhouses—25% to 43%—but significantly wider than at the fast feeders.

On the unit level dinnerhouse managers tended to receive better average annual bonuses than did their counterparts at the other types of chains. A dinnerhouse unit manager, for example, received a $5,565 average bonus, while the coffee shop and fast-food managers received $4,447 and $3,187, respectively.

For the chief chef's or expeditor's position, however, the trend reversed. The average bonus at the fast-food chain was $2,000, but at the dinnerhouse it was only $1,864. A family restaurant's chef averaged $1,375.

Bonuses were calculated by a variety of methods, with many chains reporting using more than one. No single means of determining a bonus predominated.

At fast-food chains three different techniques were reportedly used with equal frequency. Twenty-two per cent of the chains surveyed based bonuses on merit or performance, per cent of profits and per cent of sales.

Half of all family restaurant bonuses were calculated on the combined basis of merit, 25%, and per cent of profits, 25%. Twenty-two per cent of the chains in that segment used per cent of sales.

Three ways of computing bonuses by dinnerhouses each registered a frequency of 21%—merit or performance, per cent of profits and linkage to gross profit margin maintained.

A plan not used much by the chains is per cent of sales over a specified quota. Only 6% of family restaurant chains reported using that means, but 11% of fast feeders said they used it.

Average annual bonuses for dinnerhouse regional operations managers were much higher than for fast-food managers, $9,417 vs. $3,050. Regional supervisors of dinnerhouses earned an average $6,483 annual bonus, while their counterparts at fast-food chains earned $3,977.

AVERAGE ANNUAL BONUSES

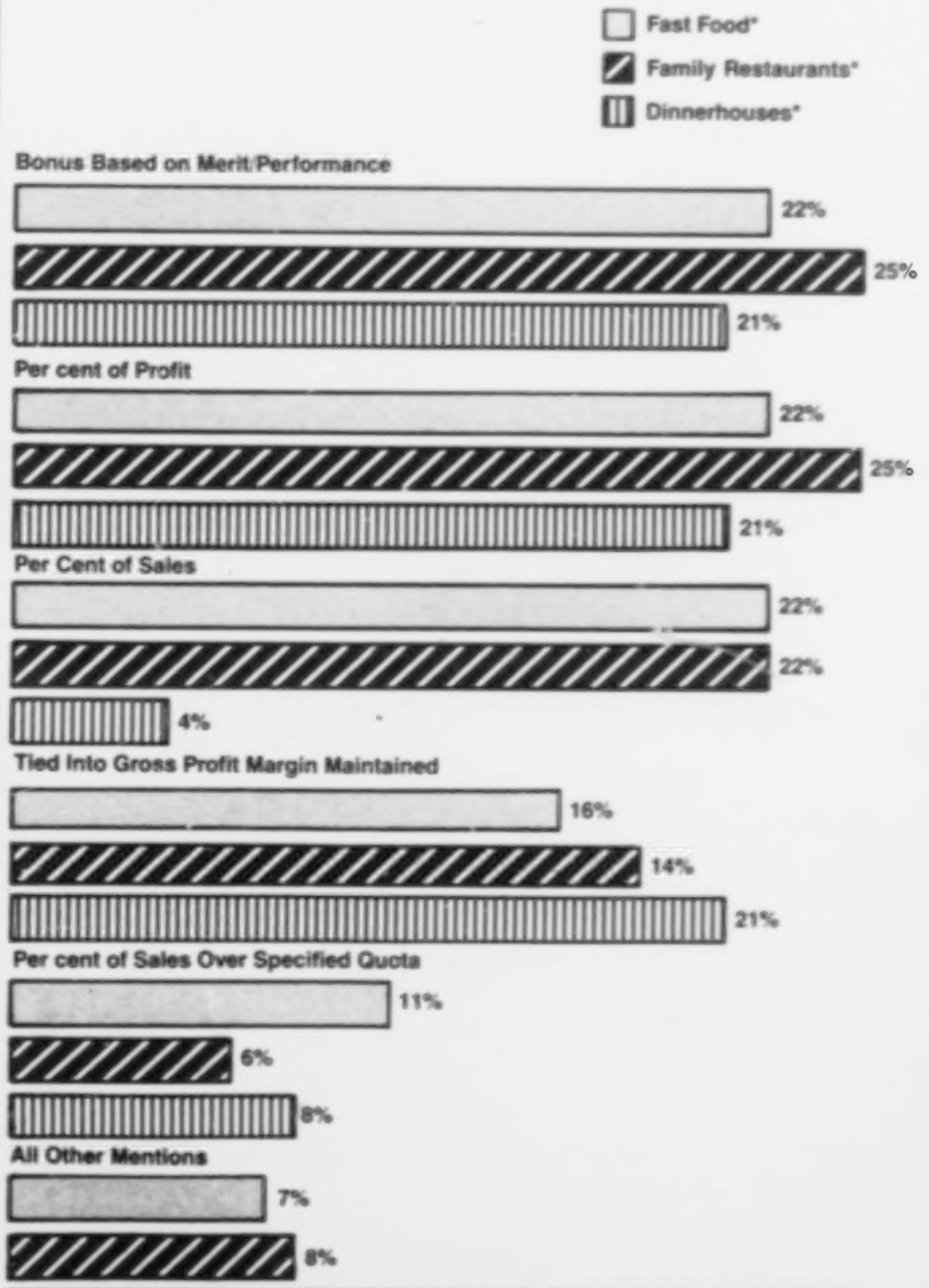
(For Selected Field and Unit Management Level Positions)

	Fast Food	Family Restaurants	Dinnerhouses
Field Level:			
Regional Vice President	$4,743		$14,750
Regional Operations Manager	3,050	$5,312	9,417
Regional Manager Franchise Operations	3,075		
Regional Supervisor	3,977		6,483
Regional Marketing Manager	2,350		
Regional Personnel Manager	2,000		
Unit Level:			
General Manager Unit Manager	3,187	4,447	5,565
First Assistant Manager	1,521	1,450	2,613
Chief Chef/Expeditor	2,000	1,375	1,864
Second Assistant Manager	1,490	1,109	2,071

Source: Lebhar-Friedman Research

HOW BONUSES ARE CALCULATED

(For Selected Field and Unit Management Level Positions)

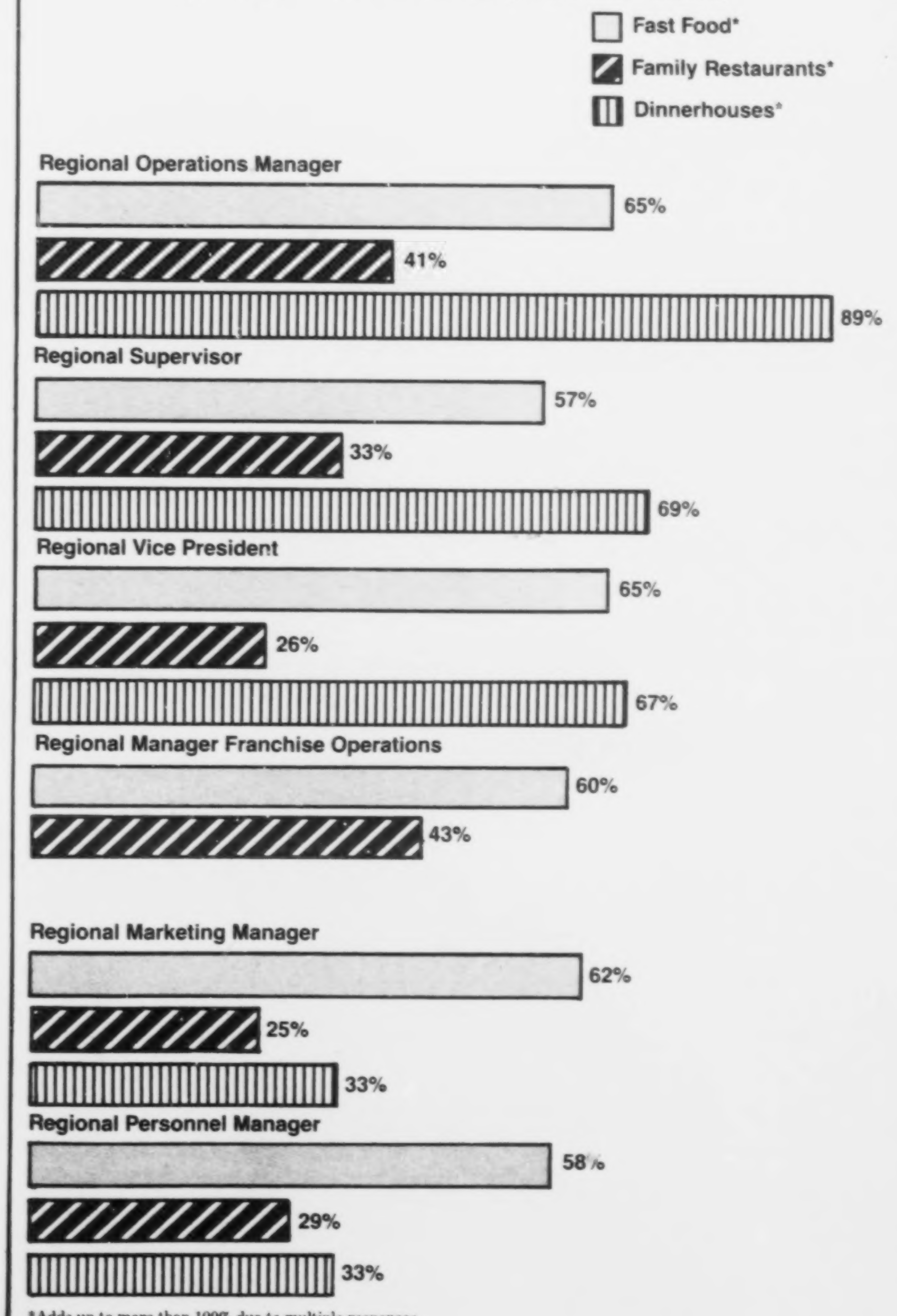


*Adds up to more than 100% due to multiple answers

Source: Lebhar-Friedman Research

INCIDENCE OF AWARDING BONUSES

(For Selected Field and Unit Management Level Positions)



*Adds up to more than 100% due to multiple responses

Source: Lebhar-Friedman Research

Medical fringes standard at chains surveyed

Virtually all fast-food restaurant and dinnerhouse chains surveyed provide their management level employees with major hospital, medical and surgical benefits. But only a third of all chains, at best, offer such financial services as profit sharing or stock options.

Methodology

The wage-and-benefits study conducted by Lebhar-Friedman Research for *Nation's Restaurant News* focuses on field level and unit level management at fast-food, family restaurant or coffee shop and dinnerhouse chains.

A total of 151 telephone interviews were obtained: 60 fast-food, 51 family restaurant and 40 dinnerhouse.

Researchers contacted directors of personnel and human resources, controllers and chief financial officers. Responses were confidential. Most interviews took place between April 19 and May 8 of this year, but some supplemental interviews occurred at later dates.

On the average the median number of full-time employees chainwide for each segment surveyed was as follows: dinnerhouse, 560; family restaurant, 300, and fast-food, 100.

On the average, the survey showed, payroll costs absorbed about 24.4% of chain restaurant revenue last year. For dinnerhouses it was 26.7%; for family restaurants, 24.8%, and for fast feeders, 22.4%.

And although almost all chains provide major medical benefits, far fewer offer specific medical plans, such as dental, disability and prescription discounts.

No wide variance is discernible between the types of chains and the medical fringe benefits they provide. The greatest range exists in long-term disability: Only 45% of family restaurants provide it, but 60% of dinnerhouses do. For fast-food chains the figure is 50%.

Of all medical fringes, the one offered by the fewest chains is short-term disability. Less than half of all fast feeders and family restaurants surveyed provided that benefit to employees, and just 52% of dinnerhouses offered it.

Of all the financial services now being made available to employees, the most frequent on the average is profit sharing. Nevertheless, only 30% of dinnerhouses have such a plan, 33% of fast-food chains and 24% of family restaurants.

Stock option or ownership plans received the highest single frequency of all financial services in the survey. Thirty-five per cent of dinnerhouse chains provide them. But the average frequency of that benefit for all segments is lower than profit sharing because just 22% of fast-food chains and 12% of family restaurants offer it.

More than a quarter—27%—of fast-food chains offer management pension plans, but only 18% of dinnerhouses and coffee shops provide that fringe.

Financial services benefits are not provided by 53% of family restaurant chains, 40% of dinnerhouses and 38% of fast feeders.

By far the most prevalent life insurance benefit is the company-paid plan. Eighty-eight per cent of dinnerhouses offer it, 79% of fast feeders and 72% of family restaurants.

Only 5% of dinnerhouses have no life insurance benefits. Ten per cent of family restaurants and 12% of fast-food chains do not offer that fringe.

TYPES OF BENEFITS PROVIDED TO EMPLOYEES

(At Management or Higher Level)

	Fast Food	Family Restaurants	Dinnerhouses
Medical:			
Hospital Coverage	100%	98%	100%
Major Medical	100	98	100
Surgical Coverage	98	96	100
Prescription Coverage/Discounts	65	53	55
Dental Plan	52	55	60
Long-term Disability	50	45	60
Short-term Disability	47	49	52
Do Not Provide Medical Benefits		2	
Life Insurance:			
Company-paid Plan	78	72	88
Contributory Plan	17	31	15
Do Not Provide Life Insurance Benefits	12	10	5
Financial Services:			
Profit Sharing	33	24	30
Stock Option/Ownership Plans	22	12	35
Pension Plan	27	18	18
Savings Plans/Investments	18	14	5
Do Not Offer Financial Services Benefits	38	53	40

Source: Lebhar-Friedman Research

FLASHBACK: 1970

Greyhound succeeded in acquiring Armour despite bar

By Howard Riell

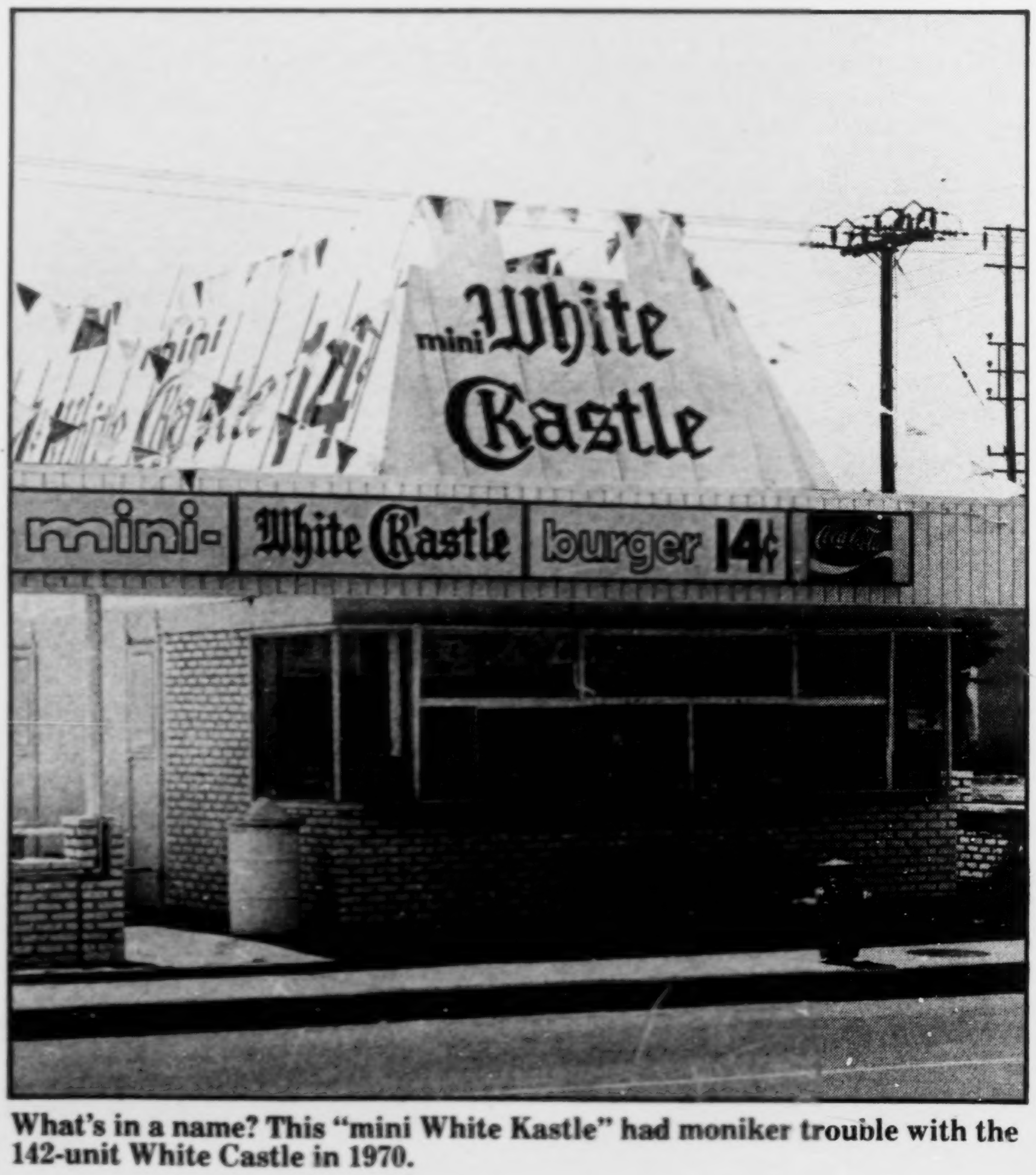
The Justice Department was insisting Greyhound be barred from acquiring Armour & Co. because of a 50-year-old consent decree reported in *Nation's Restaurant News* 15 years ago this week, July 6, 1970.

Back in the trust-busting days, Armour and several other meat packers had signed the decree barring them from buying into certain nonmeat businesses, including fish, bread and vegetables.

The department's argument was that if Armour could not move into those areas, then a company like Greyhound already handling those items should be barred from acquiring it. Greyhound issued a statement declaring that it "would take whatever action is necessary" to acquire Armour—including a sale of its food operations. Greyhound did eventually buy Armour but sold it to Nebraska-based ConAgra last December.

ALSO THAT WEEK:

- California's senate passed the nation's first **Franchise Investment Law**, designed to regulate the sale of franchises. The measure required all franchisors to register with the state's Department of Corporations before selling any franchises in the state. Experts noted at the time that the so-called full disclosure law would have little bearing on established franchisors but might curb formation of many new franchised chains.
- American Home Foods, which owned the Boy-ar-dee packaged-foods company, joined with Murray and Irving Reise of the Childs chain of coffee shops and opened a pilot **Chef Boy-ar-dee Trattoria** in New York. The Reise brothers would provide the food-service know-how, but American Home would control the company formed to run the venture, AH-R Inc. Chef Hector Boiardi, who died two weeks ago, was on hand for the opening.
- A trademark fight was brewing after the opening of a new hamburger house called **"mini White Kastle,"** which served tiny 14¢ hamburgers. The then-142-unit White Castle called it a rip-off, but Stewart Hoffenberg, one of the new chain's owners, noted that "my name is registered under 'mini White Kastle,' spelled with a K. It's in no way tied to White Castle." He did concede, though, that "it's the same operation, true."
- Management of the **Chinese Castle** restaurant in Philadelphia admitted providing one menu for white patrons and another, more expensive one for blacks. The city's Commission on Human Rights said the restaurant provided an a la carte menu for blacks, while white patrons received a dinner menu.
- Paralyzed by lack of funds, **Alice's Restaurant Inc.**, the New York company that boasted nationwide franchise "presale" on the success of its movie namesake, was up for sale. The much-publicized franchises had stopped being sold; the much-publicized namesake, Alice Brock, had dropped out of the company.



What's in a name? This "mini White Kastle" had moniker trouble with the 142-unit White Castle in 1970.

Labeling plan considered

(Continued from page 1)

associated with the ingredients in fast foods makes the disclosure of those ingredients imperative."

According to the center, "hundreds of thousands of Americans are allergic to fast-food ingredients, such as FD&C Yellow Dye No. 5 and corn-based sweeteners," and "many others need to avoid certain ingredients, such as animal fats and coconut and palm oils," which are used widely in fast-food restaurants.

"Ingredient disclosure is the only device that can enable these consumers to safely eat fast foods," the petitions maintained.

In addition to raising health concerns about fast-food items, the center charged that the failure of such chains as McDonald's and Burger King to disclose the ingredients used in their menu selections "constitutes economic deception" of consumers.

Arguing that restaurant patrons "have a basic right to know" what they are being served, officials at the center maintained that "the failure to disclose fast-food ingredients leaves consumers completely in the dark as to the composition of these products."

Specifically, the petition charged that without Federally mandated ingredient labeling the public might be deceived into believing that fast-food selections containing such additives as MSG, saccharin, aspartame and chemical preservatives are "naturally flavored, naturally colored or additive-free."

THE LABELING petitions, which the center filed in cooperation with the American College of Allergists and the New York State Consumer Protection Board, drew an immediate and chilly response.

"Proposals to require mandatory labeling on packaged fast food are not in the best interest of the consumer," National Restaurant Association president Ted Balestreri said.

Charging that CSPI's plan would create "undue anxiety for all restaurant patrons," he said that "listing a lot of technical terms that are unfamiliar to the vast marjority of consumers creates a specter of fear without any reason for it."

Although FDA and USDA officials were still studying the petitions at presstime, indications are that a final decision on whether to grant the center's request will hinge in part on this question: Do the two Federal agencies have the authority to require ingredient labeling for restaurant foods?

A similar proposal to mandate ingredient disclosures on fast-food items came under serious consideration during the Carter Administration. But after years of study, FDA, USDA and Federal Trade Commission officials decided against any new Federal ingredient disclosure requirements for fast foods in 1979.

In reviving the controversy over fast-food ingredient labeling, officials at the consumer group noted that both the Federal Food, Drug & Cosmetic Act and the Federal Meat and Poultry Products Inspection acts require the disclosure of ingredients.

THE TWO agencies have "historically chosen not to enforce" those provisions "against foods served in restaurants because ingredients could change on an almost daily basis and no 'label' . . . existed for most restaurant foods," the center noted.

But "with the advent of nationwide chains of franchise fast-food restaurants in the 1950's and 1960's, the manner in which much restaurant food is prepared and served has drastically changed."

Each fast-food establishment "is now akin to a small, decentralized food-manufacturing facility," the "composition of the products is highly standardized" and "most, if not all, foods are served in wrappers that could easily accommodate ingredient information."

In its petition to the Food and Drug Administration, the center said that "any doubt over whether FDA has jurisdiction over fast-food labels was resolved when FDA stated" in 1979 that "present legal authority would be adequate to extend ingredient labeling to those restaurant foods that come in 'containers' or that have 'wrappers.'"

Peoples in Chapter 11

(Continued from page 1)

erates 24 restaurants, down from 52 as recently as last October.

Thomas Heironimus, Peoples' chairman and chief executive, said he was optimistic about the chances of restructuring the chain. "I think we still have something of value here," he declared. "The real value of this company was its net loss carryforward position. It's my job to preserve the $40 million tax loss and move the company ahead."

Meanwhile Studebaker's franchise option agreement with Peoples allowed the 24-unit Dallas-based casual-restaurant chain to "back out" within 30 days if Peoples failed to raise the refinancing capital necessary to become solvent. That option expired July 1.

"As far as we're concerned, we'll just sell the five territories Peoples optioned for franchising but didn't own," said Abbott Estrin, Studebaker's vice president and director of franchises and real estate.

CAPT. CRAB, on the other hand, followed through on its conversion agreement with Peoples, taking over the lease of an existing Peoples in Atlanta and changing it to a Crab House seafood restaurant.

Robert Galentine, Capt. Crab president, is reportedly negotiating with Heironimus to abolish a $435,000 agreement that gave Peoples the exclusive rights to convert, develop and operate Crab House full-services, sit-down restaurants.

— Ken Frydman

Hipp, May take over

(Continued from page 1)

inson veteran, will reportedly leave shortly to become president of a one-unit fast-food bakery operation here called T. J. Cinamon's.

Gilbert/Robinson's new Houlihan's casual-dining division contains only one concept—the 50-unit Houlihan's. The specialty restaurant group now consists of Gilbert/Robinson's 30 other units, including six Bristol seafood sites, one Fedora's in Kansas City and several Devon, Bristol, Charley's Place and Chequers Bar and Grills.

"The two separate Gilbert/Robinson divisions were created in order for the company to accelerate its growth in each and to focus upon special trends and opportunities as they relate to each concept's market," said Anwar Soliman, a Grace executive vice president and head of the company's restaurant group.

Hill had long opposed W. R. Grace's growth plan for Houlihan's, but that had nothing to do with his decision to resign, according to Hipp.

Skipper's backs Zackly's

(Continued from page 3)

There are now four Zackly's and two CulCon-run Uno's, all in Florida. Plans call for the development of 10 more Zackly's and three additional Uno's by the end of 1986, Stone said.

Both concepts, he explained, generate per-unit average annual sales of $1.2 million to $1.4 million, utilize buildings of about 5,500 sq. ft. and have start-up costs of $900,000 to $950,000 per unit for the building, land and equipment.

CulCon has not yet franchised Zackly's, but Stone said the concept would be "heavily franchised" later. He noted there is a good chance the first franchised unit would be in Oregon.

Stone explained that Skipper's association with CulCon would permit it to test consumer reaction to a variety of products without "polluting" its seafood and chowder house concept.

Perlyn, an attorney and a former president of Lum's restaurants, and Alan J. Goldberg, an attorney and real-estate development and management company president, founded CulCon Systems Inc. in 1983. Goldberg is chairman.

Other CulCon stockholders include John Y. Brown, former Governor of Kentucky and past head of Kentucky Fried Chicken; Frank Carney, Pizza Hut founder and chairman of Flakey Jake's; Stanley Bressler, chairman of Bressler's Ice Cream, and Peter Moser, chairman of Creative Restaurants Inc.

Perlyn, who was traveling, could not be reached for direct comment on the agreement with Skipper's, but he said in a written statement: "We feel Zackly's and Uno's are ready for a combination of company and franchise expansion. The agreement with Skipper's will guarantee the necessary capital. Gene Stone and I have known each other for a long time, and we have similar management philosophies.

Zackly's, like the Po' Folks and Black Eyed Pea chains, offers fried chicken and fish, country-fried steaks, grits, gravy and biscuits, home-fried and mashed potatoes, cornbread, Southern-style vegetables and red beans and rice via a full-service format. In response to consumer demands for more healthful foods, the chain also serves broiled chicken, vegetable plates, salads, whole grain buns and a breast of chicken sandwich.

Pasta prices to increase

(Continued from page 3)

use the imported in all chilled pasta salads because it holds up better than homemade," Ahern explained. "We also use it in two hot dishes we serve in the café."

Approximately half—70 to 80 lb. a week—of all pasta served at Bacco's in Waterbury, Conn., is imported. The remaining half is made from scratch.

Bob Parr, director of marketing for the 21-unit Old Spaghetti Factory, said his chain uses approximately 85% domestic and 15% imported pastas. "For about one and a half years we used homemade pasta for certain specialty products," he explained. "But recently we switched over to imported pasta."

Since the Old Spaghetti Factory uses approximately 3,500 lb. of imported pasta weekly systemwide, Parr voiced some concern regarding price increases. Nevertheless, he said that "we're not pushing the panic button yet. We'll probably absorb the increase—at least initially."

In fact, the higher prices caused by the White House's new tariffs may not be so high as anticipated. According to food distributors on both the East and West Coasts, an operator using 20 lb. to 30 lb. of imported pasta a week could find himself paying about $2 to $3 a week more after July 4—or about 10¢ more per pound.

And as one West Coast distributor explained it, the new prices probably will not take effect for six to eight weeks after that date because of existing supplies of pasta already in this country.

Distributors are not expecting any drop in the sales of imported pasta to the food-service industry, either. "If it were schlock at $50 a case, this tariff would be the death knell," the same West Coast distributor observed. "But since it's mostly a quality product and inexpensive [current prices hover around 70¢ per pound], it probably won't affect sales."

Joseph M. Lichtenberg, president of the National Pasta Association, agreed that sales to restaurants would remain largely unchanged. But he also pointed out that "the vast majority of imported pasta finds its way into the retail market, not into the food-service industry."

He said he thought sales in the retail section would drop once the tariff goes into effect on July 4. "Domestic pasta producers are calling it 'Independence Day,'" he quipped.

"The White House made a very significant statement to them [European producers]," noted Lichtenberg. "Now we're just waiting to see what they will do."

Industry backs alien bill

(Continued from page 2)

reform but also to avoid the substantial presumption which would be invoked against those employers who fail to keep records and who are later found to have hired undocumented aliens unknowingly," Evans said.

Although Evans testified on behalf of the U.S. Chamber of Commerce, NRA Government Relations chief Ron Sarasin told *NRN* that his endorsement of the revised Simpson bill also reflects the National Restaurant Association's position.

In endorsing the bill, both NRA and the chamber nevertheless expressed misgivings about certain provisions in the legislation.

One section of the bill authorizing individuals and organizations to request Federal investigations of employers suspected of hiring illegal aliens "could raise substantial concerns for the business community if appropriate limitations" are not placed on those probes, Evans warned Congress.

Evans also raised philosophical objections to the bill's imposition of penalties on employers without corresponding sanctions on illegal aliens themselves.

"We believe that penalties and responsibilities of immigration laws should be shared by the undocumented, knowing violator of our nation's existing immigration laws," he told the committee. "After all, what we need is an immigration policy which establishes a sufficient level of control—while maintaining maximum economic and political liberty—so as to deter would-be violators of the immigration law."

NRN Stock Index slips while Dow hits all-time high

NEW YORK — Despite record closings on broader indexes, the *Nation's Restaurant News* Food-Service Operators Index slipped for the third consecutive week, closing the week ended June 28 at 129.3, a 0.3-point decline.

The Dow Jones Industrial Average, meanwhile, closed the week at a record 1,335.46, finishing 10.98 points higher than it did for the previous week. Analysts said investors were encouraged by attempts by Congress to resolve the budget deadlock and the Commerce Department's announcement that leading economic indicators rose 0.7% in May.

Issues advancing in price on *NRN*'s complete, 116-stock listing, which includes lodging and diversified companies, outnumbered the decliners, 58 to 31, with 27 unchanged in price. But issues trading at lower volume than the previous 12-week average beat out the more active issues, 60 to 53, with three unchanged.

Swensen's led the percentage price gainers in the week, up $1.25, to close at $2.75, an 83.3% increase. Swensen's reacquired 2.4 million shares of its stock in a deal in which ownership of two manufacturing plants was transferred to Foremost Dairies.

Fresher Cooker and Peoples Restaurants were the biggest percentage price decliners in the week, down 40% each. Both companies have filed for creditor protection under Chapter 11 in recent weeks.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Hungry Tiger ...... M	268.8	A&M Food Svcs ...... M	165.9
Ritzys G D ...... M	252.7	Peo Restaurants ...... M	165.8
Hambrg Hamlet ...... O	227.8	Consol Prdts ...... M	139.5
Swensens Inc ...... O	200.0	Churchs Fr Ch ...... N	134.0
Kapok Cp ...... A	168.6	Frisch's ...... A	123.3

TOP TEN GAINERS

(Weekly Price Change, in %)

Swensens Inc ...... O	83.3	Vie de France ...... M	12.5
Rest Mgmt ...... M	16.4	Fuddruckers Inc ...... M	12.0
Natl Pizza ...... M	16.3	Lifestyle Rest ...... A	11.8
Kapok Cp ...... A	15.4	Chi-Chi's ...... M	11.5
Sandwich Chef ...... M	14.8	Ramada Inns ...... N	11.1

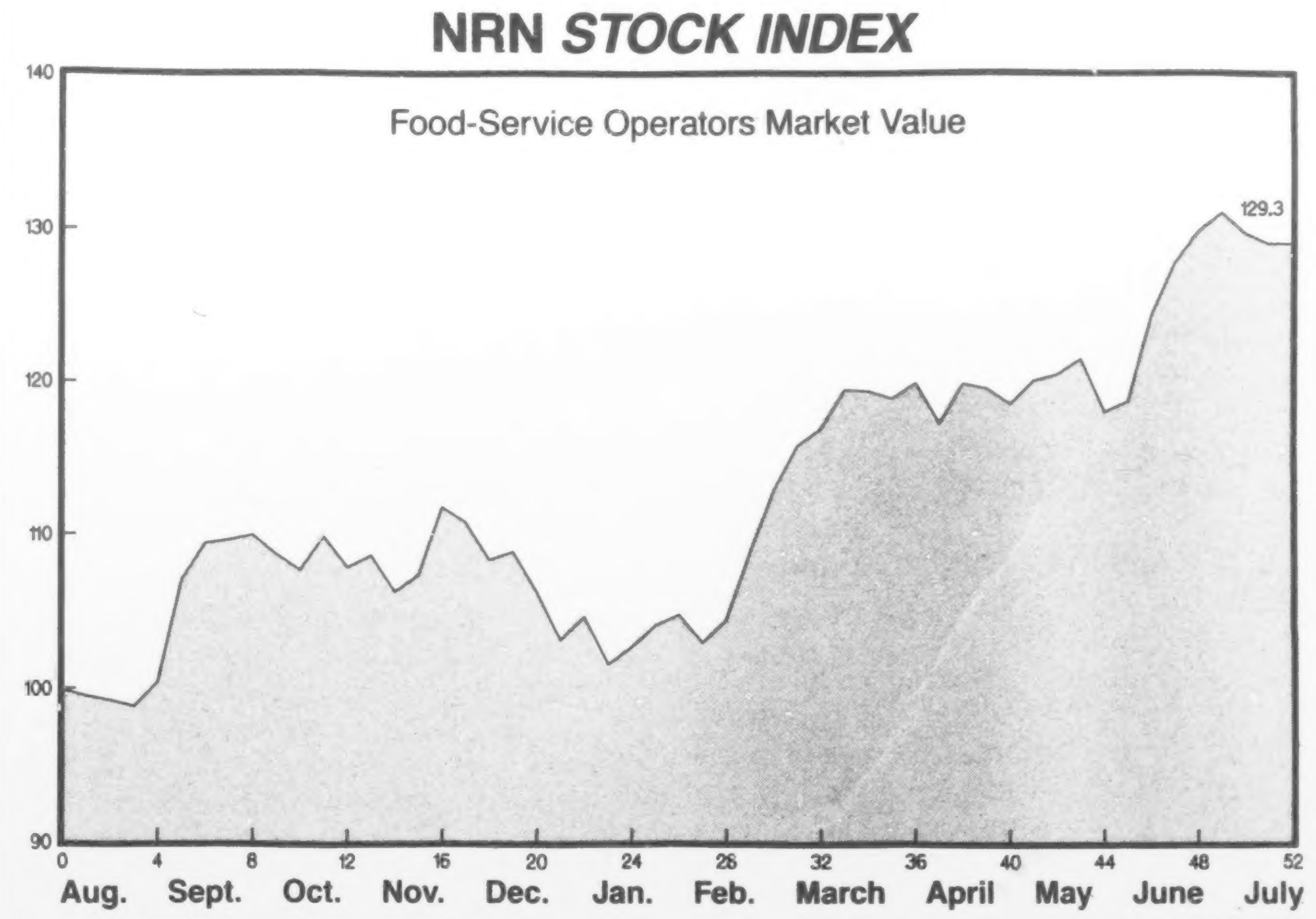
TOP TEN LOSERS

(Weekly Price Change, in %)

Peo Restaurants ...... M	- 40.0	Ritzys G D ...... M	- 10.5
Fresher Cooker ...... O	- 40.0	Winners Cp ...... N	- 9.3
Stuff Yer Face ...... O	- 22.7	Taco Viva ...... M	- 8.5
DLites Of Amer ...... M	- 12.4	Brock Hotel Cp ...... N	- 8.0
SIS Cp ...... O	- 11.1	Assoc Hosts ...... M	- 7.2

	Stock Market												Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date						
	6-28-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																														
A&M Food Svcs ...... M	6.50	.63	10.6	6.50	5.38	7.13	3.50	806	2.26	.85	165.9	19.7	.00	.0	.....	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests ...... M	4.75	.25	5.6	4.75	4.25	5.38	3.50	63	.25	.74	- 66.2	33.9	.00	.0	.....	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.05	- 75.0	19.9	114.0	.0	- 100.0	.02	- 84.6
Am Restaurants ...... O	3.75	.00	.0	4.00	3.75	6.00	2.38	8	.03	.33	- 90.9	75.0	.00	.0	.....	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts ...... M	11.25	- .88	- 7.2	12.00	11.00	17.13	10.88	618	1.40	1.95	- 28.2	15.2	.12	1.1	.....	6 mos.	03-85	22.9	- 5.8	.7	- 36.4	.16	- 36.0	45.4	- 3.6	1.4	- 26.3	.32	- 25.6
Benihana Natl ...... M	20.00	1.00	5.3	20.13	18.13	21.75	10.75	1,563	5.37	5.17	3.9	18.7	.00	.0	.....	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms ...... M	21.25	- .25	- 1.2	21.50	20.75	21.50	14.75	990	.61	.73	- 16.4	19.1 -	.30	1.4	.....	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp ...... M	2.50	.13	5.3	2.75	2.38	5.13	.63	217	.72	.57	26.3	NE	.00	.0	.....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ...... M	13.50 –	1.13	9.1	13.50	12.25	13.50	8.13	891	1.97	2.08	- 5.3	19.9	.16	1.2	.....	fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab ...... M	1.88	.06	3.4	1.94	1.31	2.88	1.31	1,652	1.08	1.39	- 22.3	NE	.00	.0	.....	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp ...... N	8.50	- .25	- 2.9	8.88	8.50	11.50	7.88	311	.40	.68	- 41.2	11.5	.07	.8	.....	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chefs Intl ...... O	.69	.00	.0	0.81	0.69	1.06	.38	1,076	.56	.47	19.1	NE	.00	.0	.....	fiscal	01-85	4.0	- 18.4	(1.8)	NE	(.09)	NE	20.9	- 4.1	(2.7)	NE	(.14)	NE
Chi-Chi's ...... M	12.13	1.25	11.5	12.25	10.75	18.00	9.38	8,281	3.07	2.68	14.6	19.2	.00	.0	.....	9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc ...... M	28.13	2.00	7.7	28.63	26.13	28.88	13.50	1,063	2.29	2.43	- 5.8	36.5	.00	.0	.....	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch ...... N	17.88	.13	.7	18.00	17.13	20.25	12.75	13,225	3.51	1.50	134.0	15.4	.44	2.5	.....	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods ...... N	24.13	.63	2.7	24.50	23.50	24.50	11.75	1,153	.88	.83	6.0	17.5	.16	.7	.....	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev ...... M	11.88	- .25	- 2.1	12.00	11.25	16.75	5.75	4,966	9.60	4.87	97.1	NE	.00a	.0	.....	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts ...... M	4.25	.25	6.3	4.25	4.00	5.88	4.00	300	.91	.38	139.5	12.9	.08	1.9	.....	6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant ...... M	3.88	.25	6.9	4.00	3.50	12.50	3.38	1,979	4.35	2.32	87.5	NE	.00	.0	.....	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel ...... M	14.00	.25	1.8	14.25	13.00	23.50	11.75	290	.81	1.33	- 39.1	19.4	.14	1.0	.....	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc ...... O	4.75	.25	5.6	5.00	4.50	5.75	2.75	68	.39	.23	69.6	36.5	.00	.0	.....	6 mos.	12-84	1.5	87.5	.1	NC	.04	.0	3.2	113.3	.1	.0	.07	.0
Diversifoods ...... M	11.38	.00	.0	11.50	11.25	14.63	8.00	4,336	1.29	6.85	- 81.2	27.7	.34	3.0	.....	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer ...... M	9.75	- 1.38	- 12.4	11.13	9.00	15.50	9.00	2,579	5.07	3.05	66.2	75.0	.00	.0	.....	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts ...... M	23.13	- .63	- 2.6	23.38	22.88	23.88	13.59	1,287	1.80	2.22	- 18.9	17.1	.24	1.0	.....	6 mos.	04-85	.7	- 96.8	2.8	16.7	.38	15.2	24.7	- 41.3	5.4	14.9	.74	15.6
El Chico ...... M	11.50	- .13	- 1.1	11.63	11.25	11.75	7.25	974	2.09	1.83	14.2	14.7	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Pollo Asa ...... O	5.25	.16	3.1	5.88	5.25	6.34	1.84	954	3.77	3.70	1.9	NE	.00	.0	.....	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest ...... N	17.88	.13	.7	18.50	17.75	19.25	9.75	1,259	1.14	.87	31.0	17.5	.00	.0	.....	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper ...... O	.69	.00	.0	0.75	0.69	1.63	.63	111	.19	.40	- 52.5	22.9	.00	.0	.....	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes ...... M	5.13	- .38	- 6.8	5.50	4.88	8.50	4.88	1,855	2.68	1.95	37.4	NE	.00	.0	.....	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest ...... O	2.50	.00	.0	3.50	2.50	7.38	2.50	1	.01	.26	- 96.2	NE	.00	.0		3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Fresher Cooker ...... O	.38	- .25	- 40.0	0.63	0.38	6.75	.25	157	.70	1.06	- 34.0	NE	.00	.0	.....	fiscal	12-84	.9	50.0	(3.3)	NE	(.52)	NE	3.6	50.0	(2.2)	NE	(1.08)	NE
Frisch's ...... A	25.50	.88	3.6	25.50	24.50	25.50	13.50	293	.67	.30	123.3	21.6	.22	.9	.....	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc ...... M	7.00	.75	12.0	7.00	6.13	15.13	6.00	1,713	2.63	4.20	- 37.4	NM	.00	.0	.....	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot ...... M	2.63	.00	.0	2.81	2.50	5.13	1.63	327	.55	1.50	- 63.3	NE	.00	.0	.....	3 mos.	03-85	16.3	- 4.7	.4	NE	.07	NE	16.3	- 4.7	.4	NE	.07	NE
Good Taco ...... O	.69	.00	.0	0.75	0.63	3.25	.25	85	.29	1.33	- 78.2	NE	.00	.0	.....	9 mos.	11-84	.2	100.0	(.5)	NE	(.20)	NE	1.0	150.0	(1.1)	NE	(.44)	NE
Hambrg Hamlet ...... O	15.00	.50	3.4	15.50	14.50	15.25	10.50	85	1.18	.36	227.8	8.1	.00	.0	.....	9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger ...... M	4.50	- .13	- 2.7	4.63	4.25	6.50	3.63	1,327	4.61	1.25	268.8	NE	.00	.0	.....	6 mos.	02-85	14.5	- 8.8	(.4)	- 100.0	(.12)	- 100.0	28.9	- 6.8	(.5)	- 100.0	(.16)	- 100.0
Intl Dairy Queen ...... O	52.00	1.00	2.0	54.50	51.50	52.00	39.00	28	.14	.10	40.0	14.3	.00	.0	.....	3 mos.	02-85	27.2	- 2.2	.8	14.3	.38	18.8	27.2	- 2.2	.8	14.3	.38	18.8
Intl King Tab ...... M	18.50	- .25	- 1.3	18.75	18.25	24.75	13.41	654	2.28	3.02	- 24.5	13.2	.00a	.0	.....	9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest ...... M	14.13	.00	.0	14.50	14.00	15.50	7.84	1,546	4.42	5.72	- 22.7	17.7	.16	1.1	.....	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc ...... M	20.88	.75	3.7	20.88	20.25	21.50	13.50	2,250	1.43	3.64	- 60.7	15.3	.12	.6	.....	9 mos.	03-85	122.3	.2	4.3	- 4.4	.27	- 6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp ...... A	3.75	.50	15.4	4.00	3.38	4.00	1.13	1,168	5.21	1.94	168.6	5.9	.00	.0	.....	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl ...... M	14.63	.75	5.4	14.88	13.75	29.63	13.50	1,149	1.62	2.08	- 22.1	8.9	.00	.0	.....	fiscal	01-85	75.3	8.2	1.4	- 33.3	.20	- 28.6	331.4	14.4	11.6	.9	1.64	1.2
Kelly-Johnston ...... M	.38	.00	.0	0.44	0.38	5.00	.25	339	.40	2.68	- 85.1	NE	.00	.0	.....	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest ...... A	2.38	.25	11.8	2.50	2.13	3.50	1.75	233	.41	.45	- 8.9	NE	.00	.0	.....	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe ...... N	31.50	.50	1.6	31.63	30.50	32.50	24.00	617	.51	.69	- 26.1	20.3	.54	1.7	.....	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp ...... O	17.50	.13	.7	17.75	17.38	18.25	12.25	60	.12	.53	- 77.4	11.4	.28	1.6	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp ...... N	94.38	1.38	1.5	95.50	93.00	95.50	64.88	1,727	.67	.60	11.7	17.5	.54	.6	.....	3 mos.	03-85	874.2	17.5	27.7	20.4	1.04	25.3	874.2	17.5	27.7	20.4	1.04	25.3
Maverick Rest ...... O	3.50	.00	.0	3.75	3.50	6.25	2.25	8	.02	.41	- 95.1	43.8	.00	.0	.....	fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max & Erma's ...... O	3.00	.00	.0	3.50	3.00	4.75	2.50	21	.12	.25	- 52.0	NE	.00	.0		6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp ...... N	68.50	1.13	1.7	69.00	66.75	69.75	44.94	9,454	1.10	1.07	2.8	15.6	.90	1.3	.....	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures ...... M	10.38	.00	.0	10.50	10.25	12.25	9.63	556	1.14	.76	50.0	15.3	.00	.0	.....	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc ...... M	20.00	.00	.0	20.13	19.88	20.25	15.50	1,144	.86	1.33	- 35.3	13.3	.48	2.4	.....	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak ...... O	2.13	.13	6.3	2.25	2.00	3.13	1.13	497	1.04	.96	8.3	NE	.00	.0	.....	6 mos.	03-85	.9	- 94.8	(.2)	NC	(.05)	NC	14.8	- 54.7	(.1)	NC	(.03)	- 100.0
Nankin Express ...... O	.63	.00	.0	0.88	0.63	2.38	.63	173	.77	.88	- 12.5	NE	.00	.0		3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans ...... M	3.38	.00	.0	3.63	3.38	4.50	2.00	100	.45	.61	- 26.2	10.5	.00a	.0	.....	fiscal	03-85	5.5	34.1	(.2)	NE	(.07)	NE	22.7	13.5	.7	75.0	.32	68.4
Natl Pizza ...... M	11.63	1.63	16.3	11.75	10.00	11.63	7.50	387	.70	.97	- 27.8	16.6	.00	.0	.....	fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc ...... M	4.88	.13	2.6	5.00	4.75	10.13	4.50	951	2.09	1.94	7.7	NE	.00	.0	.....	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman ...... O	16.25	- .25	- 1.5	17.25	16.25	17.00	11.88	6	.10	.43	- 76.7	46.4	.00	.0	.....	3 mos.	03-85	4.7	4.4	(.1)	NC	(.21)	- 100.0	4.7	4.4	(.1)	NC	(.21)	- 100.0
1 Potato 2 ...... O	1.25	- .06	- 4.8	1.38	1.25	8.25	1.25	186	.85	.64	32.8	NE	.00	.0	.....	fiscal	01-85	4.4	NC	(4.5)	NC	(2.08)	NC	15.4	NC	(6.0)	NC	(2.77)	- 100.0
Old Fashion Fd ...... O	4.50	.00	.0	5.00	4.50	6.00	4.00	8	.06	.42	- 85.7	9.6	.00	.0	.....	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet ...... M	8.00	.13	1.6	8.13	7.88	8.38	6.00	828	2.23	3.24	- 31.2	14.5	.13	1.6	.....	6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants ...... M	.19	- .13	- 40.0	0.31	0.13	1.88	.13	5,438	6.30	2.37	165.8	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ...... M	23.00	.38	1.7	23.13	22.38	24.25	16.50	386	.64	.93	- 31.2	14.6	.60	2.6	.....	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4

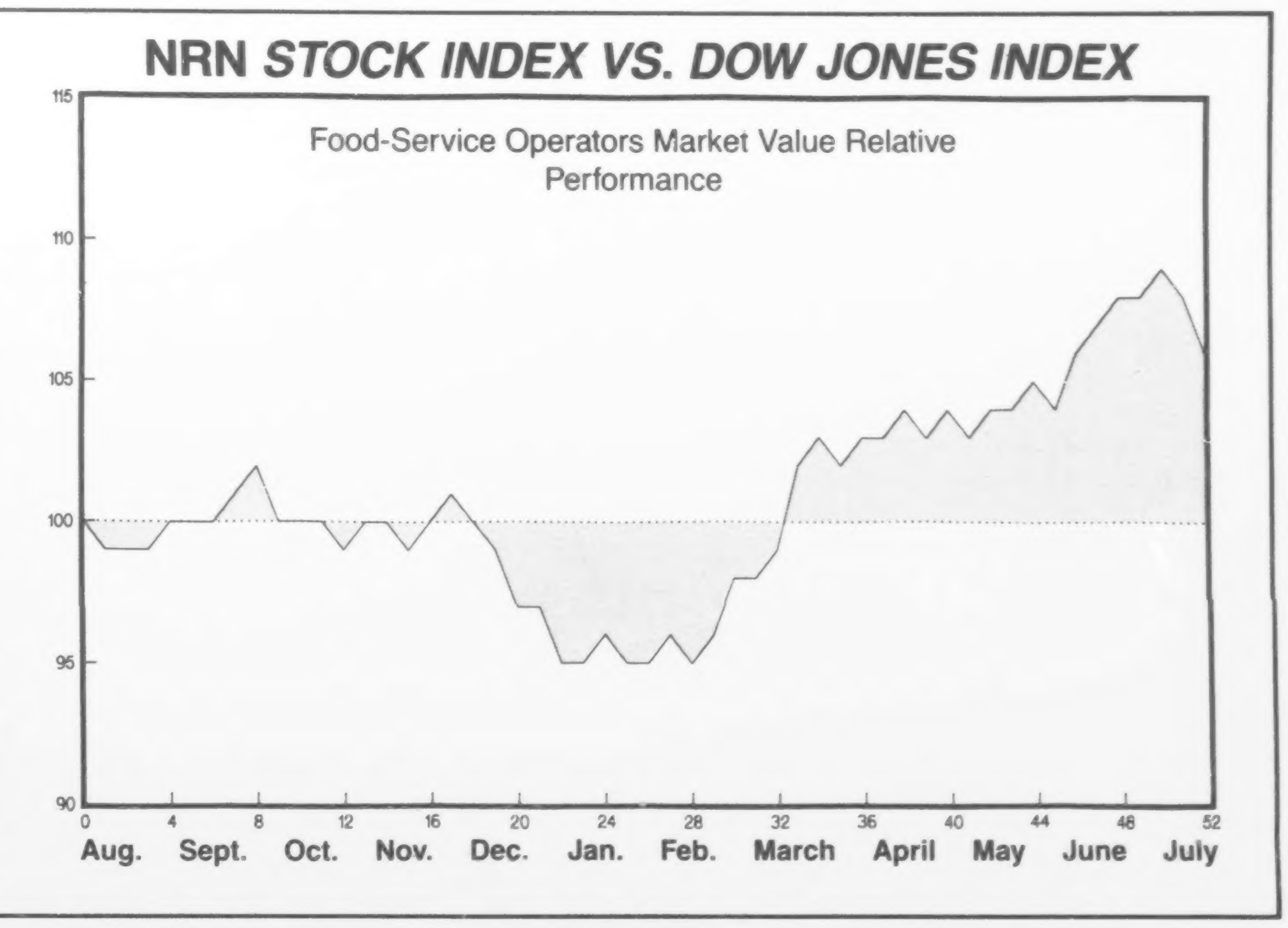
NRN STOCK INDEX



Source: Media General Financial Services

Oct. 28, 1983 = 100

NRN STOCK INDEX VS. DOW JONES INDEX



Company and Market	Stock Market											Financial Update																		
	Price							Volume				P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date						
	6-28-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.13	.13	1.6	8.25	7.50	12.75	6.88	245	.81	.87	- 6.9	27.1	.08	1.0	.....	3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6
Po-Folks M	11.25	.88	8.4	11.25	10.13	16.63	8.75	278	.63	.66	- 4.5	16.1	.00	.0	.....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys N	10.88	- .13	- 1.1	11.38	10.88	21.50	10.75	3,011	3.13	2.11	48.3	24.2	.40	3.7	.....	3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc O	1.63	- .13	- 7.1	1.75	1.63	4.63	1.63	75	.22	.70	- 68.6	NE	.00	.0	.....	6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants M	8.00	.00	.0	8.50	8.00	16.38	7.50	461	.68	.77	- 11.7	19.5	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	8.50	.25	3.0	8.50	7.88	8.88	5.38	258	.91	.58	56.9	15.5	.00	.0	.....	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Rest Mgmt M	19.50	2.75	16.4	19.75	16.75	19.50	9.00	469	2.95	1.80	63.9	20.5	.09	.5	.....	6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems M	15.25	.00	.0	15.50	14.50	16.50	11.00	358	1.55	1.11	39.6	16.8	.00	.0	.....	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D M	2.13	- .25	- 10.5	2.38	2.13	7.00	1.75	1,352	2.61	.74	252.7	NE	.00	.0	.....	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican M	16.88	- .13	- .7	17.13	16.88	18.25	11.00	142	.50	.70	- 28.6	22.8	.00	.0	.....	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam M	17.00	.00	.0	17.00	16.50	19.25	11.34	239	.34	1.55	- 78.1	30.9	.00	.0	.....	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp N	27.13	.38	1.4	27.13	26.25	35.50	24.50	1,937	1.48	1.33	11.3	10.9	.52	1.9	.....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef M	8.75	1.13	14.8	8.75	7.63	9.00	6.75	186	1.47	.67	119.4	15.4	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	8.50	- .13	- 1.4	8.88	8.50	10.13	6.50	476	1.30	2.21	- 41.2	4.0	.00	.0	.....	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc M	30.13	- .13	- .4	30.88	30.00	31.88	19.50	2,878	1.01	.99	2.0	25.3	.15	.5	.....	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South M	12.63	- .50	- 3.8	13.00	12.50	16.59	12.50	470	.84	1.20	- 30.0	11.9	.00	.0	.....	3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp O	4.00	- .50	- 11.1	4.75	4.00	6.75	3.25	15	.10	.37	- 73.0	NE	.00	.0	.....	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	24.00	1.00	4.3	24.00	22.75	24.00	12.00	427	.63	1.00	- 37.0	16.6	.00	.0	.....	fiscal	04-85	42.6	13.0	2.9	16.0	.42	16.7	159.5	11.9	9.9	23.8	1.45	23.9
Skippers M	10.38	.13	1.2	10.38	10.00	12.50	8.00	179	.66	1.07	- 38.3	11.5	.06	.6	.....	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality M	5.25	.25	5.0	5.25	4.88	5.88	4.00	1,239	2.48	2.41	2.9	15.0	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	.53	- .16	- 22.7	0.69	0.53	1.44	.53	440	.29	.52	- 44.2	NE	.00	.0	.....	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	2.75	1.25	83.3	3.13	1.50	3.50	1.50	414	1.29	.43	200.0	NE	.00	.0	.....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	5.50	.00	.0	5.75	5.50	7.75	4.75	27	.07	.21	- 66.7	19.0	.00	.0	.....	3 mos.	03-85	8.8	22.2	.3	.0	.07	- 12.5	8.8	22.2	.3	.0	.07	- 12.5
Taco Viva M	5.38	- .50	- 8.5	5.75	5.38	7.50	4.66	376	1.10	1.15	- 4.3	15.8	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	9.75	- .38	- 3.7	10.00	9.75	12.88	7.88	512	.44	.68	- 35.3	14.6	.00	.0	.....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.00	.00	.0	2.50	2.00	3.25	2.00	10	.07	.07	.0	NE	.00	.0	.....	fiscal	12-84	3.2	33.3	(.2)	NC	(.12)	- 100.0	11.5	27.8	(.5)	NC	(.32)	- 100.0
TCBY M	19.00	.25	1.3	20.00	18.50	20.50	1.81	1,372	3.15	4.53	- 30.5	79.2	.00	.0	.....	3 mos.	02-85	2.0	185.7	.2	NC	.04	300.0	2.0	185.7	.2	NC	.04	300.0
Transworld N	39.63	2.75	7.5	40.13	37.25	40.13	25.13	9,324	2.62	1.97	33.0	12.9	.48	1.2	.....	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes M	5.25	.25	5.0	5.25	4.38	5.75	2.75	1,273	2.03	2.01	1.0	15.0	.28	5.3	.....	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants M	23.63	- 1.63	- 6.4	25.38	23.25	28.25	13.25	4,601	6.91	6.08	13.7	17.8	.12	.5	.....	3 mos.	01-85	106.7	216.6	1.4	27.3	.17	6.3	106.7	216.6	1.4	27.3	.17	6.3
Victoria Stations M	3.13	.00	.0	3.44	3.13	7.25	2.13	2,072	5.84	3.24	80.2	NE	.00	.0	.....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	17.25	- .50	- 2.8	17.75	16.88	19.13	12.19	11,886	1.62	1.47	10.2	18.0	.21	1.2	.....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer O	9.00	.00	.0	10.50	9.00	11.75	9.00	20	.16	.26	- 38.5	15.0	.20	2.2	.....	fiscal	02-85	14.4	26.3	.2	- 33.3	.22	15.8	45.4	25.8	.7	- 41.7	.60	- 41.2
Winners Cp N	6.13	- .63	- 9.3	6.75	6.13	13.38	5.13	301	.67	1.68	- 60.1	43.8	.00	.0	.....	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																														
Brock Hotel Cp N	2.88	- .25	- 8.0	3.25	2.25	5.63	1.88	2,070	1.57	1.06	48.1	NE	.10	3.5	.....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	65.38	.00	.0	67.00	65.00	73.50	45.50	839	.34	1.75	- 80.6	14.3	1.80	2.8	.....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	55.63	2.63	5.0	57.50	52.50	57.63	35.25	6,754	2.35	1.76	33.5	14.0	1.00	1.8	.....	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn N	32.00	2.25	7.6	32.00	29.50	32.75	13.69	2,206	1.14	.90	26.7	28.3	.09	.3	.....	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns N	7.50	.75	11.1	7.50	6.50	8.25	5.13	14,647	3.94	1.95	102.1	93.8	.00	.0	.....	3 mos.	03-85	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0
Servico Inc M	22.50	.00	.0	23.25	22.25	23.00	14.78	103	.30	.72	- 58.3	14.2	.00a	.0	.....	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl O	22.50	.00	.0	25.00	22.50	27.00	18.00	9	.06	.07	- 14.3	7.6	.40	1.8	.....	3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																														
Allegheny Bev M	18.75	.13	.7	19.00	18.25	22.63	14.38	1,405	2.34	2.97	- 21.2	18.6	.40	2.1	.....	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut N	8.25	.25	3.1	8.25	7.78	11.41	7.03	233	.48	.77	- 37.7	NM	.00a	.0	.....	9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 66.7	87.1	.2	.4	- 60.0	.09	- 57.1
Disney, Walt N	93.88	4.00	4.5	95.00	89.38	95.00	45.25	7,122	2.16	1.65	30.9	65.2	1.20	1.3	.....	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Estebans Fd O	2.00	- .13	- 5.9	2.25	2.00	2.75	1.13	18	.08	.72	- 88.9	NE	.00	.0	.....	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills N	63.63	4.38	7.4	64.00	59.25	64.00	47.75	12,033	2.72	1.96	38.8	37.6	2.24	3.5	.....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	40.38	.50	1.3	40.38	39.38	44.50	38.50	6,546	1.35	1.06	27.4	10.6	2.80	6.9	.....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	9.38	.13	1.4	9.50	8.63	16.19	8.63	3,231	2.61	1.36	91.9	18.0	.00a	.0	.....	3 mos.	03-85	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0
Ogden Corp N	29.25	.63	2.2	29.63	28.25	31.88	24.13	1,910	1.00	.75	33.3	14.1	1.80	6.2	.....	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc N	60.13	.75	1.3	60.25	58.75	60.25	39.88	12,601	1.31	1.84	- 28.8	15.7	1.78	3.0	.....	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co N	54.00	- 2.00	- 3.6	56.00	53.38	56.63	34.50	3,379	.78	.78	.0	12.8	1.56	2.9		fiscal	05-85	1219.4	12.6	47.3	1.3	.89	- 17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec O	3.50	.00	.0	4.00	3.50	5.00	3.50	19	.11	.11	.0	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Vie de France M	10.13	1.13	12.5	10.50	8.88	15.25	8.13	2,637	2.44	1.16	110.3	17.2	.23	2.3	.....	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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Nation's
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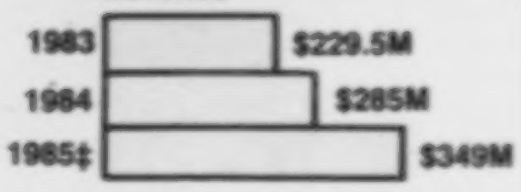
Friday's Scoggin eyes $1B future

New concepts anchor expansion strategy

Scoggin

TGI FRIDAY'S AT A GLANCE



Concepts	No. of Units* 1985	No. of Units* 1986	Avg. Per-store Sales 1985	Avg. Check 1985
TGI Friday's	120	120	$3.3M	$10.25
Dalts	9	19	2.4M	7.70
Fast Friday's	1	NA	NA	NA

*Projections
‡Estimates by Montgomery Securities

By Peter Romeo

DALLAS — T.G.I. Friday's Inc. says it is laying the groundwork to become one of the few survivors in what president and chief executive officer Daniel R. Scoggin sees as a far different restaurant industry of the future.

Scoggin's strategy calls for the constant addition of new concepts and continuous change for Friday's present brands, T.G.I. Friday's and Dalts.

Near-term, the plan includes a new prototype and selective international expansion for T.G.I. Friday's, a doubling of the size of Dalts, the August rollout of a new menu line for one or both the chains and the development of a new concept within 18 months.

"We deal in long-range views," Scoggin said in an interview with *Nation's Restaurant News*. "In the long pull this industry is going to grow up. The survivors are going to be multibillion-dollar companies that know how to create concepts and know how to keep those concepts alive."

Scoggin believes that in the instance of Friday's, "the only way to accomplish this is as a multiconcept entity. We see *at least* a dozen concepts that would function very well."

He emphasized that Friday's will take great care to avoid the copycat approach taken by

*(See **SCOGGIN**, page 109)*

Pillsbury debating Godfather's future

By Don Jeffrey

MINNEAPOLIS — Following its acquisition of Diversifoods, Pillsbury has made an easy first decision about the fate of that multiconcept company: absorbing the 375 franchised Burger Kings into the Pillsbury-owned system. But executives are reportedly divided over a tougher decision: what to do with the ailing, 895-unit Godfather's pizza chain.

News analysis

Pillsbury has emerged as a powerhouse restaurant company, with estimated food-service revenues exceeding $2.5 billion and a diversified portfolio of concepts ranging from fast-service burgers, pizza and Chinese food to full-service dinnerhouses and casual-theme restaurants. But sources said problems are looming.

"They've got a lot on their plate," said an analyst who believed Pillsbury will sell some Diversifoods concepts to the highest bidders to relieve debt assumed in the $360 million buyout.

*(See **GODFATHER'S**, page 109)*

PILLSBURY, Minneapolis, Minn.
Food-service Revenue (year ended 11/30/84: $1.77 billion
Food-service Operating Profit: $187 million
Restaurants (3/85)
  Burger King: 4,123 (564 company-owned, 3,234 franchised, 325 foreign)
  Steak and Ale: 181
  Bennigan's: 170
  J. J. Muggs: 11
  Bay Street: 1

DIVERSIFOODS, Itasca, Ill.
Purchased by Pillsbury 6/85
Total Revenue (year ended 12/31/84): $554.4 million
Total Operating Profit: $49.4 million
Net Profit: $18.2 million
Restaurants (1/85)
  Burger King: 378 (274 operated, 104 subfranchised)
  Godfather's: 895 (237 company-owned)
  Luther's: 68 (34 company-owned)
  Chart House: 55
  Moxie's: 9

Rykoff-Sexton buys Interstate

Los Angeles distributor sold for over $20 million

NRN *West Coast Bureau*

LOS ANGELES — Rykoff-Sexton Inc. has agreed to buy privately held Interstate Restaurant Supply Co. Inc., which reports annual sales of more than $100 million.

Terms were not disclosed, but estimates place the cash purchase price at more than $20 million. Rykoff-Sexton said the transaction was expected to close by September, subject to the signing of a definitive agreement and various approvals.

Interstate, also based in Los Angeles, manufactures about 250 food products and distributes more than 14,000 processed food, equip-

*(See **RYKOFF**, page 109)*

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New Orleans in tourism slump

Restaurant sales, hotel occupancy down significantly

By Ken Frydman

NEW ORLEANS — Independent restaurants and hotels in the historic French Quarter, along the Mississippi River and in the redeveloped downtown section are suffering through an extended crisis linked to a severe drop in tourism.

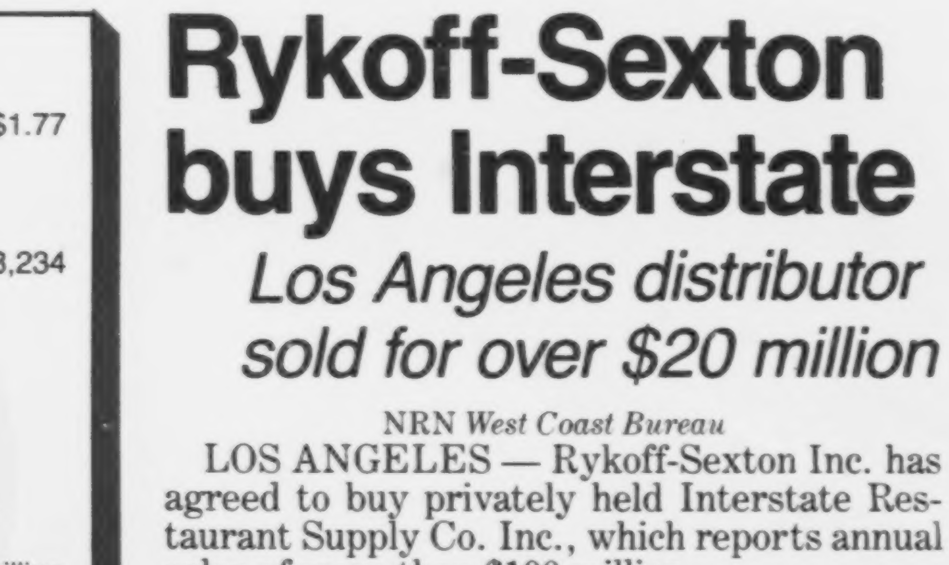
Customer traffic and sales are down considerably at some of the city's better-known restaurants, and the city's hotel occupancy rate has been hovering below 55% since the beginning of the year.

Competition among restaurants is keener than ever before, said James Funk, executive vice president of the Louisiana Restaurant Association. "The pie is being divided into smaller pieces among more restaurants," Funk explained.

Roy Guste, whose family owns Antoine's in the French Quarter, closed the doors on his latest venture, Guste's, only five months after opening the penthouse restaurant in

*(See **NEW ORLEANS**, page 109)*

HOTEL OCCUPANCY RATES
(Year-to-year comparisons, January through April)



Source: Laventhol & Horwath

NRN Index rockets 3.9 to 132.9; gainers beat losers

NEW YORK — Restaurants staged a revolution of their own during the Independence Day holiday-shortened week ended July 5, pushing the *Nation's Restaurant News* Food-Service Operators Index up 3.6 points, to 132.9, a new record.

Advancing issues outnumbered decliners 50 to 32, with 34 unchanged, on the full 116-stock listing, which includes lodging and diversified companies.

The Dow Jones Industrials Average slipped 1.01, to close at 1334.45, nearly 212 points above the year-before mark. An 8-point gain on the last day of the week failed to completely make up for earlier losses.

Volume on the full *NRN* listing was markedly lighter, with 93 of 116 issues trading slower than their previous 12-week averages.

Chi-Chi's led the Volume Surgers' list, with trading 149.2% heavier than usual. Chi-Chi's rose 88¢, to close at $13 per share.

Ponderosa System was the third-leading percentage-price gainer of the week, adding $1.88, to $12.75. The company denied a report that it was the target of a takeover attempt.

Peoples Restaurants, which has filed for Chapter 11, led the losers' list, off 6¢, to 13¢.

Among the big bellwethers, McDonald's gained $1.13, to $69.63, after hitting a 52-week high of $70. Wendy's, up 25¢, to $17.50. Church's, up 63¢, to $13. Collins, off 13¢, to $24. Jerrico, down 63¢, to $20.25.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Chi-Chi's M	149.2	Fast Food Oper 0	76.2
Pizza Inn A	143.3	Morrison Inc M	75.2
Noble Roman 0	129.2	Churchs Fr Ch N	51.2
Sandwich Chef M	119.7	USACafes M	47.2
Po-Folks M	103.9	Sea Galley M	39.6

TOP TEN GAINERS

(Weekly Price Change, in %)

Kelly-Johnston M	33.3	Concept Dev M	8.4
SIS Cp M	18.8	Nathans M	7.4
Ponderosa Sys N	17.2	Chi-Chi's M	7.2
Consul Restaurant M	16.1	Fuddruckers Inc M	7.1
Fast Food Oper 0	9.1	Po-Folks M	6.7

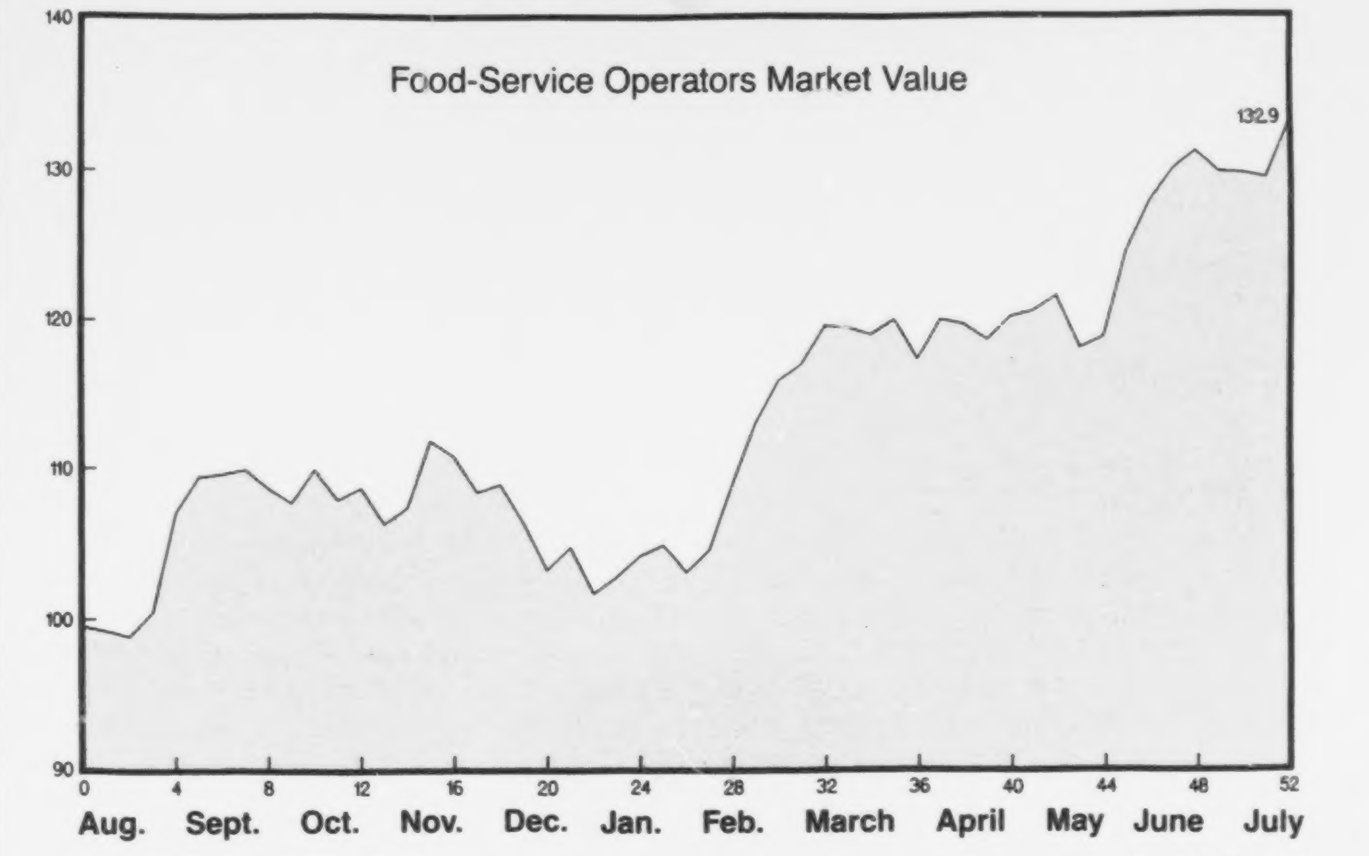
TOP TEN LOSERS

(Weekly Price Change, in %)

Peo Restaurants M	-33.3	Rest Mgmt M	-2.6
1 Potato 2 0	-20.0	Skippers M	-2.4
Sea Galley M	-10.3	Disney, Walt N	-2.3
Swensens Inc 0	-9.1	El Torito Rest N	-2.1
Acapulco Rests M	-7.9	Winners Cp N	-2.0

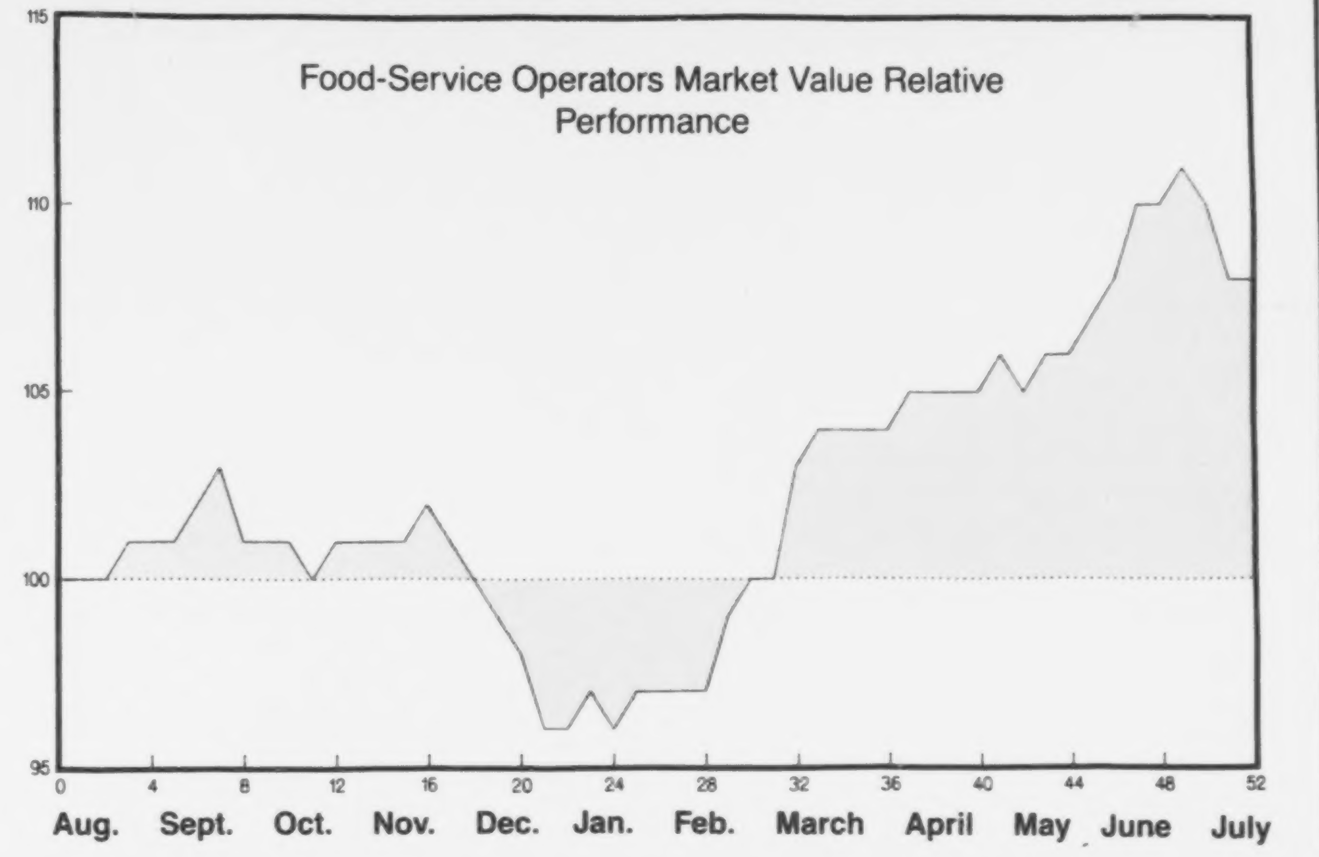
	Stock Market											Financial Update																	
	Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
	7-05-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs O	6.38	-.13	-1.9	6.63	6.25	7.13	3.50	94	.26	.84	-69.0	19.3	.00	.0	—	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests M	4.38	-.38	-7.9	4.38	4.38	5.38	3.50	35	.14	.72	-80.6	33.7	.00	.0	NEW	6 mos.	04-85	10.4	1055.6	.1	-80.0	.04	-80.0	19.9	114.0	.0	-100.0	.01	-92.3
Am Restaurants O	3.88	.13	3.3	4.00	3.88	5.75	2.38	23	.10	.32	-68.8	77.5	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	-100.0	(.01)	-100.0	4.7	4.4	.0	-100.0	(.01)	-100.0
Assoc Hosts M	11.38	.13	1.1	11.38	11.13	17.13	10.88	161	.36	1.84	-80.4	15.4	.12	1.1	—	6 mos.	03-85	22.9	-5.8	.7	-36.4	.16	-36.0	45.4	-3.6	1.4	-26.3	.32	-25.6
Benihana Natl M	20.63	.63	3.1	20.88	20.13	21.75	10.75	688	2.37	5.23	-54.7	19.3	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	21.75	.50	2.4	22.00	20.75	21.75	14.75	1,426	.88	.69	27.5	19.6	.30	1.4	—	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp M	2.63	.13	5.0	2.63	2.50	5.13	.63	74	.24	.56	-57.1	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	13.38	-.13	-.9	13.50	13.25	13.50	8.13	744	1.65	1.93	-14.5	19.7	.16	1.2	—	fiscal	02-85	15.7	18.0	.8	60.0	.18	63.6	54.3	24.5	3.1	47.6	.68	30.8
Capt Crab M	1.88	.00	.0	1.88	1.75	2.88	1.31	870	.57	1.20	-52.5	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	8.50	.00	.0	8.75	8.50	11.50	7.88	262	.34	.68	-50.0	11.5	.07	.8	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chefs Intl O	.69	.00	.0	0.81	0.69	1.06	.38	188	.10	.45	-77.8	NE	.00	.0	—	fiscal	01-85	4.0	-18.4	(1.8)	NE	(.09)	NE	20.9	-4.1	(2.7)	NE	(.14)	NE
Chi-Chi's M	13.00	.88	7.2	13.25	12.13	18.00	9.38	21,448	7.95	3.19	149.2	20.6	.00	.0	—	9 mos.	01-85	51.7	16.2	2.6	-40.9	.10	-28.6	149.2	27.3	12.1	-2.4	.45	-6.3
Chili's Inc M	28.75	.63	2.2	28.75	28.00	28.88	13.75	372	.80	2.22	-64.0	37.3	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch N	18.50	.63	3.5	18.75	18.00	20.25	12.75	9,352	2.48	1.64	51.2	15.9	.44	2.4	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods N	24.00	-.13	-.5	24.88	24.00	24.88	11.75	1,201	.91	.85	7.1	17.4	.16	.7	—	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev M	12.88	1.00	8.4	13.25	11.88	16.75	5.75	1,283	2.48	4.67	-46.9	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	-100.0	(.23)	-100.0	30.2	9.4	(1.2)	-100.0	(.23)	-100.0
Consol Prdts O	4.25	.00	.0	4.38	4.25	5.88	4.00	33	.10	.37	-73.0	12.9	.08	1.9	—	6 mos.	03-85	18.6	-4.6	.0	NC	(.02)	NC	33.8	-3.4	.3	-25.0	.08	-20.0
Consul Restaurant M	4.50	.63	16.1	4.50	3.88	12.00	3.38	1,224	2.69	2.47	8.9	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	-100.0	(.72)	-100.0	63.0	32.6	(3.7)	-100.0	(.82)	-100.0
Cracker Barrel M	14.25	.25	1.8	14.25	13.75	23.50	11.75	269	.75	1.34	-44.0	19.8	.14	1.0	—	9 mos.	04-85	16.0	16.8	.3	-40.0	.07	-61.1	46.8	18.2	.9	-35.7	.26	-50.0
Cucos Inc O	4.50	-.25	-5.3	4.88	4.50	5.75	2.75	27	.16	.21	-23.8	32.1	.00	.0	NEW	9 mos.	03-85	1.6	100.0	.1	.0	.04	33.3	4.8	108.7	.2	.0	.11	10.0
Diversifoods M	11.38	.00	.0	11.50	11.25	14.63	8.00	463	.14	6.50	-97.8	27.7	.34	3.0	—	3 mos.	03-85	128.2	2.0	1.3	-76.8	.04	-76.5	128.2	2.0	1.3	-76.8	.04	-76.5
DLites Of Amer M	9.63	-.13	-1.3	10.00	9.38	15.50	9.00	1,484	2.92	3.13	-6.7	74.0	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts M	23.13	.00	.0	23.25	22.63	23.88	14.25	552	.77	2.04	-62.3	17.1	.24	1.0	—	6 mos.	04-85	.7	-96.8	2.8	16.7	.38	15.2	24.7	-41.3	5.4	14.9	.74	15.6
El Chico M	11.75	.25	2.2	12.00	11.50	11.75	7.25	656	1.41	1.89	-25.4	15.1	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	-5.0	61.8	7.1	2.7	.0	.58	-3.3
El Pollo Asa O	5.50	.25	4.8	5.75	5.25	6.34	1.84	233	.92	3.56	-74.2	NE	.00	.0	—	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest N	17.50	-.38	-2.1	17.75	17.25	19.25	9.75	1,056	.95	.91	4.4	17.2	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper O	.75	.06	9.1	0.81	0.69	1.63	.63	436	.74	.42	76.2	25.0	.00	.0	—	fiscal	12-84	2.0	25.0	.0	-100.0	.00	-100.0	8.0	31.1	.2	-33.3	.03	-50.0
Flakey Jakes M	5.13	.00	.0	5.25	5.00	8.50	4.88	1,409	2.03	1.94	4.6	NE	.00	.0	—	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest O	2.50	.00	.0	3.50	2.50	7.38	2.50	38	.25	.27	-7.4	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	-100.0	1.7	88.9	(.3)	NC	(.18)	-100.0
Fresher Cooker O	.38	.00	.0	0.63	0.38	6.75	.25	190	.85	1.05	-19.0	NE	.00	.0	NEW	3 mos.	03-85	.7	-22.2	(.2)	NE	(.15)	NE	.7	-22.2	(.2)	NE	(.15)	NE
Frisch's A	26.00	.50	2.0	26.00	25.25	26.00	14.13	44	.10	.29	-65.5	22.0	.22	.8	—	9 mos.	32-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc M	7.50	.50	7.1	7.50	6.88	15.13	6.00	1,990	3.06	4.18	-26.8	NM	.00	.0	—	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot M	2.44	-.19	-7.1	2.50	2.38	5.00	1.63	406	.68	1.50	-54.7	NE	.00	.0	—	3 mos.	03-85	16.3	-4.7	.4	NE	.07	NE	16.3	-4.7	.4	NE	.07	NE
Good Taco O	.69	.00	.0	0.75	0.69	3.25	.25	140	.47	1.25	-62.4	NE	.00	.0	NEW	fiscal	02-85	.1	-75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	14.75	-.25	-1.7	15.25	14.75	15.25	10.50	1	.01	.35	-97.1	7.9	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	-11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	4.63	.13	2.8	4.75	4.38	6.50	3.63	102	.35	1.18	-70.3	NE	.00	.0	—	6 mos.	02-85	14.5	-8.8	(.4)	-100.0	(.12)	-100.0	28.9	-6.8	(.5)	-100.0	(.16)	-100.0
Intl Dairy Queen O	54.00	2.00	3.8	56.75	52.50	54.00	39.00	26	.13	.11	18.2	13.2	.00	.0	NEW	6 mos.	05-85	48.4	27.7	3.1	-90.5	1.54	40.0	75.6	15.1	3.9	-88.3	1.92	35.2
Intl King Tab M	18.50	.00	.0	18.75	18.50	24.75	13.41	141	.49	2.75	-82.2	13.2	.00a	.0	—	9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest M	14.63	.50	3.5	14.75	14.25	15.50	7.84	806	2.30	5.65	-59.3	18.3	.16	1.1	—	6 mos.	03-85	18.0	35.3	.3	.0	.07	-22.2	36.7	38.5	.9	.0	.24	-4.0
Jerrico Inc M	20.25	-.63	-3.0	20.75	20.13	21.50	14.00	2,201	1.39	3.47	-59.9	14.9	.12	.6	—	9 mos.	03-85	122.3	.2	4.3	-4.4	.27	-6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp A	3.75	.00	.0	4.00	3.75	4.00	1.13	243	1.08	1.85	-41.6	5.9	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl M	15.13	.50	3.4	15.25	14.63	29.63	13.50	1,080	1.53	2.09	-26.8	9.2	.00	.0	—	fiscal	01-85	75.3	8.2	1.4	-33.3	.20	-28.6	331.4	14.4	11.6	.9	1.64	1.2
Kelly-Johnston M	.50	.13	33.3	0.50	0.38	5.00	.25	1,033	1.21	2.56	-52.7	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	-100.0	.44	193.3	60.3	93.9	(13.5)	-100.0	.00	-100.0
Lifestyle Rest A	2.25	-.13	-5.3	2.38	2.13	3.50	1.75	153	.27	.44	-38.6	NE	.00	.0	—	3 mos.	01-85	17.1	-10.9	(2.5)	NE	(.44)	NE	17.1	-10.9	(2.5)	NE	(.44)	NE
Luby's Cafe N	32.63	1.13	3.6	33.00	31.50	33.00	24.00	484	.40	.69	-42.0	21.0	.54	1.7	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	18.38	.88	5.0	18.63	17.50	18.38	12.25	163	.32	.55	-41.8	11.9	.30	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	96.88	2.50	2.6	97.00	93.63	97.00	64.88	1,652	.64	.60	6.7	18.0	.54	.6	—	3 mos.	03-85	874.2	17.5	27.7	20.4	1.04	25.3	874.2	17.5	27.7	20.4	1.04	25.3
Maverick Rest M	3.38	-.13	-3.6	3.50	3.38	6.25	2.25	64	.13	.38	-65.8	42.2	.00	.0	—	fiscal	01-85	2.6	62.5	(.2)	-100.0	(.05)	-100.0	10.9	73.0	.4	-33.3	.08	-38.5
Max & Erma's O	3.00	.00	.0	3.50	3.00	4.75	2.50	10	.06	.25	-76.0	NE	.00	.0	—	6 mos.	04-85	3.8	-13.6	.0	NE	.02	NE	8.6	-2.3	.1	NE	.05	NE
McDonald's Cp N	69.63	1.13	1.6	70.00	68.00	70.00	45.19	4,623	.54	1.01	-46.5	15.9	.90	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	388.1	13.6	4.39	14.6
McFaddin Ventures M	10.38	.00	.0	10.50	10.38	12.25	9.63	113	.23	.71	-67.6	15.3	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc M	20.00	.00	.0	20.13	19.88	20.25	15.50	3,089	2.33	1.33	75.2	13.3	.48	2.4	—	9 mos.	02-85	120.2	6.7	4.5	.0	.32	.0	358.3	6.5	14.4	.7	1.05	2.9
Mr Steak O	2.13	.00	.0	2.38	2.13	3.13	1.13	440	.92	.95	-3.2	NE	.00	.0	—	6 mos.	03-85	.9	-94.8	(.2)	NC	(.05)	NC	14.8	-54.7	(.1)	NC	(.03)	-100.0
Nankin Express O	.63	.00	.0	0.81	0.63	2.38	.63	161	.71	.89	-20.2	NE	.00	.0	—	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans M	3.63	.25	7.4	3.63	3.38	4.50	2.00	36	.16	.51	-68.6	11.3	.00a	.0	—	fiscal	03-85	5.5	34.1	(.2)	NE	(.07)	NE	22.7	13.5	.7	75.0	.32	68.4
Natl Pizza M	11.50	-.13	-1.1	11.50	10.75	11.63	7.50	253	.46	.97	-52.6	16.4	.00	.0	—	fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc M	4.88	.00	.0	5.00	4.88	10.13	4.50	694	1.53	1.85	-17.3	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	8.13	.00	.0	8.75	8.13	8.50	5.94	133	1.10	.48	129.2	47.8	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	-100.0	4.7	4.4	(.1)	NC	(.11)	-100.0
1 Potato 2 O	1.00	-.25	-20.0	1.25	1.00	8.25	1.00	131	.80	.57	5.3	NE	.00	.0	—	fiscal	01-85	4.4	NC	(4.5)	NC	(2.08)	NC	15.4	NC	(6.0)	NC	(2.77)	-100.0
Old Fashion Fd M	4.50	.00	.0	4.75	4.25	6.00	4.00	65	.46	.43	7.0	9.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	-28.6	10.3	30.4	.5	-16.7	.34	-22.7
Pancho Mex Buffet M	8.00	.00	.0	8.00	7.88	8.38	6.00	499	1.34	3.17	-57.7	14.5	.13	1.6	—	6 mos.	03-85	8.5	11.8	.4	.0	.11	-8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants M	.13	-.06	-33.3	0.19	0.13	1.88	.13	377	.44	2.31	-81.0	NE	.00	.0	—	6 mos.	12-84	5.5	-69.6	(17.1)	NE	(1.97)	NE	13.8	-54.0	(20.4)	-100.0	(2.36)	-100.0
Piccadilly Caf M	22.75	-.25	-1.1	23.00	22.63	24.25	16.50	400	.66	.81	-18.5	14.4	.60	2.6	—	9 mos.	03-85	44.0	2.6	1.3	-40.9	.21	-41.7	138.8	8.1	7.0	18.6	1.16	18.4

NRN STOCK INDEX



Source: Media General Financial Services

NRN STOCK INDEX VS. DOW JONES INDEX



Oct. 28, 1983 = 100

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	7-05-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.63	.50	6.2	9.00	8.25	12.75	6.88	768	2.53	1.04	143.3	28.8	.08	.9	.....	3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6
Po-Folks M	12.00	.75	6.7	12.50	11.13	16.63	8.75	687	1.55	.76	103.9	17.1	.00	.0	.....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys N	12.75	1.88	17.2	12.88	10.88	21.50	10.75	2,121	2.20	2.27	- 3.1	28.3	.40	3.1	.....	3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc O	1.50	- .13	- 7.7	1.63	1.50	4.63	1.50	175	.52	.68	- 23.5	NE	.00	.0	.....	6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants M	8.25	.25	3.1	8.25	8.00	16.38	7.50	238	.35	.76	- 53.9	20.1	.00	.0	.....	6 mos.	01-85	24.9	18.0	(.6)	- 100.0	(.08)	- 100.0	54.2	22.6	.3	- 85.0	.05	- 84.4
Rest Assoc A	8.38	- .13	- 1.5	8.50	8.25	8.88	5.38	42	.15	.57	- 73.7	15.2	.00	.0	.....	fiscal	12-84	57.3	61.0	.5	- 44.4	.20	- 47.4	155.1	9.9	1.5	- 31.8	.55	- 37.5
Rest Mgmt M	19.00	- .50	- 2.6	19.25	18.75	19.50	9.00	135	.85	1.85	- 54.1	20.0	.09	.5	.....	6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems M	14.75	- .50	- 3.3	15.50	14.75	16.50	11.75	99	.43	1.01	- 57.4	16.2	.00	.0	.....	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D M	2.25	.13	5.9	2.50	2.13	6.25	1.75	310	.60	.77	- 22.1	NE	.00	.0	.....	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican M	16.88	.00	.0	16.88	16.88	18.25	11.00	19	.07	.58	- 87.9	22.8	.00	.0	.....	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam M	16.75	- .25	- 1.5	17.00	16.38	19.25	11.34	339	.49	1.55	- 68.4	30.5	.00	.0	.....	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp N	27.00	- .13	- .5	27.13	26.75	35.50	24.50	1,079	.82	1.32	- 37.9	10.8	.52	1.9	.....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef M	8.75	.00	.0	9.00	8.50	9.00	6.75	197	1.56	.71	119.7	15.4	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	7.63	- .88	- 10.3	8.50	7.25	9.50	6.50	1,130	3.10	2.22	39.6	3.5	.00	.0	.....	3 mos.	03-85	14.6	- 8.8	2.0	42.9	.57	58.3	14.6	- 8.8	2.0	42.9	.57	58.3
Shoney's Inc M	29.13	- 1.00	- 3.3	29.88	28.88	31.88	19.88	1,054	.37	.97	- 61.9	24.5	.15	.5	.....	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South M	12.63	.00	.0	12.88	12.50	16.59	12.50	289	.51	1.21	- 57.9	11.9	.00	.0	.....	3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp M	4.75	.75	18.8	4.75	4.00	6.50	3.25	26	.17	.35	- 51.4	NE	.00	.0	.....	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	24.00	.00	.0	24.00	23.50	24.00	12.00	301	.44	.99	- 55.6	16.6	.00	.0	.....	fiscal	04-85	42.6	13.0	2.9	16.0	.42	16.7	159.5	11.9	9.9	23.8	1.45	23.9
Skippers M	10.13	- .25	- 2.4	10.25	10.00	12.50	8.00	216	.79	1.05	- 24.8	11.3	.06	.6	.....	3 mos.	03-85	15.4	14.9	.5	.0	.17	- 15.0	15.4	14.9	.5	.0	.17	- 15.0
So Hospitality M	5.25	.00	.0	5.25	5.00	5.88	4.00	1,296	2.60	2.47	5.3	15.0	.00	.0	.....	9 mos.	02-85	8.3	- 6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face O	.50	- .03	- 5.9	0.63	0.50	1.44	.50	286	.19	.48	- 60.4	NE	.00	.0	.....	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	2.50	- .25	- 9.1	2.75	2.50	3.50	1.50	109	.34	.40	- 15.0	NE	.00	.0	.....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	5.50	.00	.0	5.75	5.50	7.75	4.75	13	.03	.20	- 85.0	19.0	.00	.0	.....	3 mos.	03-85	8.8	22.2	.3	.0	.07	- 12.5	8.8	22.2	.3	.0	.07	- 12.5
Taco Viva O	5.38	.00	.0	5.63	5.38	7.50	4.75	208	.61	1.09	- 44.0	15.8	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	10.25	.50	5.1	10.25	9.75	12.75	7.88	398	.34	.69	- 50.7	15.3	.00	.0	.....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.00	.00	.0	2.50	2.00	3.25	2.00	2	.01	.07	- 85.7	NE	.00	.0	NEW	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY M	20.00	1.00	5.3	20.00	19.00	20.50	1.81	804	1.85	4.46	- 58.5	83.3	.00	.0	.....	3 mos.	02-85	2.0	185.7	.2	NC	.04	300.0	2.0	185.7	.2	NC	.04	300.0
Transworld N	40.50	.88	2.2	40.63	39.25	40.63	25.13	3,748	1.05	1.92	- 45.3	13.2	.48	1.2	.....	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes M	5.50	.25	4.8	5.50	4.88	5.75	2.75	1,825	2.90	1.97	47.2	15.7	.28	5.1	.....	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants M	24.13	.50	2.1	24.25	23.38	28.25	13.25	4,033	4.79	4.99	- 4.0	20.1	.12	.5	NEW	6 mos.	04-85	85.8	61.0	1.4	- 30.0	.17	- 43.3	192.5	121.3	2.8	- 9.7	.34	- 26.1
Victoria Stations M	3.25	.13	4.0	3.25	3.13	7.25	2.13	542	1.53	3.07	- 50.2	NE	.00	.0	.....	9 mos.	12-84	27.6	- 8.0	(1.2)	NE	(.35)	NE	73.5	- 5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	17.50	.25	1.4	17.75	17.13	19.13	12.19	4,916	.67	1.43	- 53.1	18.2	.21	1.2	.....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer O	9.50	.50	5.6	10.50	9.00	11.75	9.00	9	.07	.24	- 70.8	15.8	.20	2.1	.....	fiscal	02-85	14.4	26.3	.2	- 33.3	.22	15.8	45.4	25.8	.7	- 41.7	.60	- 41.2
Winners Cp N	6.00	- .13	- 2.0	6.13	5.88	13.38	5.13	407	.90	1.71	- 47.4	42.9	.00	.0	.....	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	3.00	.13	4.3	3.13	2.38	5.63	1.88	1,534	1.16	1.12	3.6	NE	.10	3.3	.....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	66.00	.63	1.0	66.00	65.13	73.50	45.50	784	.32	1.38	- 76.8	14.5	1.80	2.7	.....	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	55.25	- .38	- .7	55.88	54.50	57.63	35.25	2,643	.92	1.72	- 46.5	13.9	1.00	1.8	.....	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn N	32.00	.00	.0	33.63	31.50	33.63	13.69	830	.43	.86	- 50.0	28.3	.09	.3	.....	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns N	7.50	.00	.0	7.63	7.13	8.25	5.13	5,320	1.43	1.93	- 25.9	93.8	.00	.0	.....	3 mos.	03-85	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0
Servico Inc M	23.25	.75	3.3	23.25	22.50	23.25	14.78	57	.16	.68	- 76.5	14.7	.00a	.0	.....	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl O	22.50	.00	.0	25.00	22.50	27.00	18.00	2	.01	.07	- 85.7	7.6	.40	1.8	.....	3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev M	19.00	.25	1.3	19.13	18.50	22.63	14.38	490	.81	2.59	- 68.7	18.8	.40	2.1	.....	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut N	8.38	.13	1.5	8.50	8.00	11.41	7.03	412	.84	.79	6.3	NM	.00a	.0	NEW	9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 66.7	87.1	.2	.4	- 60.0	.09	- 57.1
Disney, Walt N	91.75	- 2.13	- 2.3	93.88	91.50	95.00	45.50	3,310	1.00	1.64	- 39.0	63.7	1.20	1.3	.....	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Estebans Fd O	2.00	.00	.0	2.13	2.00	2.75	1.13	100	.43	.62	- 30.6	NE	.00	.0	.....	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills N	61.63	- 2.00	- 3.1	63.63	61.38	64.00	47.75	3,645	.82	1.95	- 57.9	36.5	2.24	3.6	.....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	40.88	.50	1.2	41.13	40.13	44.50	38.50	2,009	.41	1.02	- 59.8	10.8	2.80	6.9	.....	3 mos.	03-85	1580.0	5.5	35.5	- 22.7	.72	- 23.4	1580.0	5.5	35.5	- 22.7	.72	- 23.4
Horn & Hardart A	9.25	- .13	- 1.3	9.50	9.00	15.59	8.63	727	.59	1.29	- 54.3	17.8	.00a	.0	.....	3 mos.	03-85	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0
Ogden Corp N	30.88	1.63	5.6	30.88	28.75	31.88	24.13	1,754	.92	.78	17.9	14.9	1.80	5.8	.....	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc N	60.50	.38	.6	60.50	59.50	60.50	39.88	6,983	.73	1.81	- 59.7	15.8	1.78	2.9	.....	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co N	54.75	.75	1.4	54.75	53.25	56.63	34.50	2,337	.54	.75	- 28.0	13.0	1.56	2.8	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	- 17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec O	3.50	.00	.0	4.00	3.50	4.75	3.50	0	.00	.09	-100.0	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Vie de France M	10.50	.38	3.7	10.50	10.00	15.25	8.13	962	.89	1.21	- 26.4	17.8	.23	2.2	.....	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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Seafood operators seek new ways to hold prices as supplies fluctuate —Focus/F4

Huge crowds feast at Taste of Chicago —Page 3

Franchise sales execs getting more expensive —Page 45

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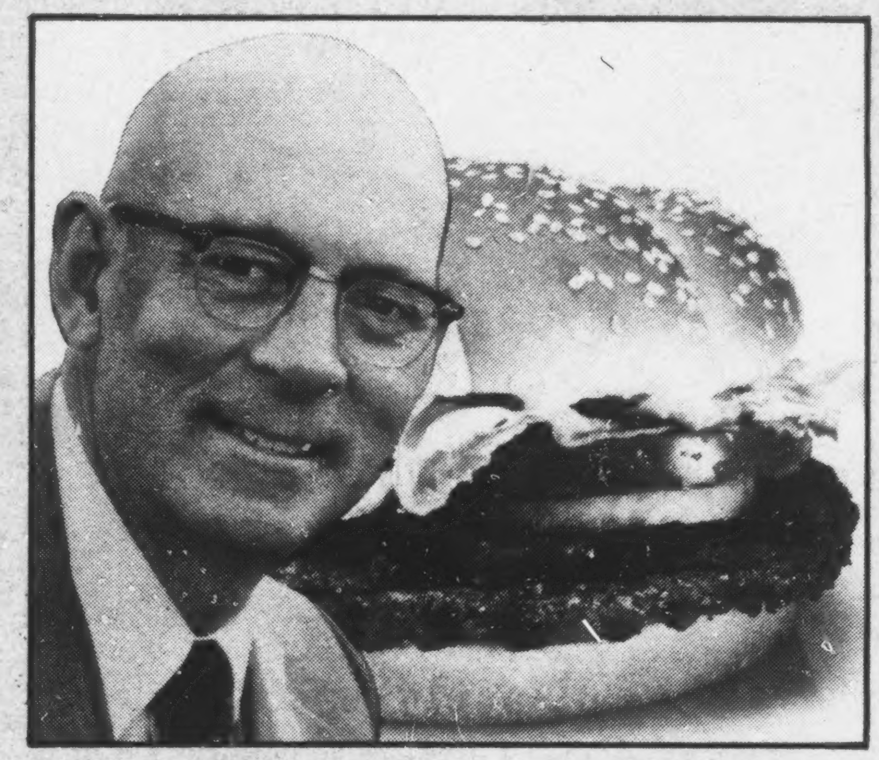


BK founder James McLamore and Whopper.

The inside story behind BK's revamped Whopper

A commitment to change

By Charles Bernstein

MIAMI — It is 4.2 oz. of meat compared with a former 3.6 oz. It is a 4½-in.-diameter bun vs. a former 5 in. And it is the same price in company-owned units (typically in Burger King's home market here) as the former product.

It is still the Whopper that founder Jim McLamore adopted for BK about 30 years ago, but now with more burger, less bun and a price-value image that BK hopes will surpass the longstanding 4-oz. entries of McDonald's Quarter Pounder and Wendy's single burger.

While the new BK version outweighs its two competitors on the meat side, it remains a cheeseburger with lettuce, tomato, pickles, onion and sauce served on a soft bun.

How did this transformation of what appeared to be a winning Whopper occur and why?

Starting one and a half years ago, recalled Ralph Witzig, BK product research and development director, "we began taking a hard look at the Whopper flagship of our menu in our secret test kitchen. We looked at the lettuce, the onion, the pickle, the sauce, procurement, everything. But most of all, the bun and the burger."

*(See **BK**, page 59)*

'Old' Coke back again

But where will chains put it?

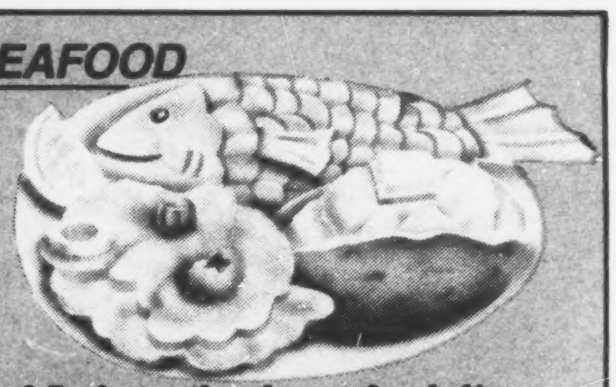
By Mark Schoifet

ATLANTA — Logistical problems will delay or preclude the rollout of Coke Classic—the original formula packaged under a new name—to many restaurant chains, according to Coca-Cola officials and food-service executives.

A key question for operators interested in selling the fountain version of Coke Classic is where to put it. As Ed Mellett, executive vice president of operations for Coca-Cola USA, pointed out,

*(See **COKE**, page 4)*

MERCHANDISING SEAFOOD IN THE 1980's



Long John Silver's is the fast-seafood leader by a wide margin, but Captain D's comes on strongest in average unit sales. Red Lobster leads seafood dinnerhouses in units and sales, while Rusty Pelican leads in average unit sales. See stories on pages F4 and F13.

Chain	1985 sales* (In Millions)	No. of Units*	Average Unit Sales (In Thousands)
Fast Feeders			
Long John Silver's	$643.4	1,375	$ 478
Captain D's	272.0	500	574
Skipper's	90.0	203	480
Dinnerhouses			
Red Lobster	$827.0	370	$2,200
Sea Galley	66.2	50	1,400
Rusty Pelican	43.0	18	3,300

**NRN* and company projections for fiscal 1985, except those for Red Lobster, whose fiscal year ended in May.

Source: *NRN* research

D'Lites battles burger goliaths

Tests new breakfast menu

By Joe Edwards

NORCROSS, Ga. — D'Lites of America is moving into the fast-food mainstream with new menu items and dinner and breakfast tests while it maintains its "upscale" image and "light and nutritious" cachet.

Once known strictly as an alternative concept specializing in reduced-calorie, "healthy" foods, the 80-unit chain is positioning itself to compete head-to-head with Wendy's and Burger King. Comparative ads for local television are in the works.

New products, according to chairman-founder Doug Sheley, are designed to boost unit volumes to $1.3 million from current levels of $1 million at 21 company units and $800,000 at 59 franchised units. Land, building and equipment costs average $850,000 to $900,000.

"Our whole business concept was to create a fast-food chain that has the highest annualized sales in the fast-food

*(See **D'LITE'S**, page 59)*

INSIDE NRN

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Wild Plum pins future on pies

Strategy is designed to capture bigger market share

By Alan Liddle

MEDFORD, Ore. — At The Wild Plum, a three-unit Oregon-based coffee shop group, in-store baked pies are an important part of a strategy aimed at winning a bigger share of the dining-out dollar.

The success of larger, established chains that prominently feature pies, such as Marie Callender's and Bakers Square, proves that the approach can be rewarding. But there are drawbacks to pie concepts, and at The Wild Plum, which offers 32 flavors, managers know that pies mean an extraordinary initial capital commitment, on-going financial risk and the need for additional employee training.

Interior of the Wild Plum restaurant in Medford, Ore.

Jack Kuykendal, a one-time multiunit Arby's franchisee who still owns three fast-food restaurants called Mr. K's, founded The Wild Plum chain in Eugene, Ore., in 1977. His son, Bud, and daughter, Roselyn Prinsing, are partners.

The second Wild Plum was

*(See **WILD PLUM**, page 59)*

NRN Index down 0.6 to 132.3; losers top gainers

NEW YORK — The *Nation's Restaurant News* Food-Service Operators' Stock Index moved counter to broader averages in the week ended July 12, dipping 0.6 points, to close at 132.3, while the Dow Jones Industrials Average scored a new record of 1,338.60, up 4.15.

The overall market was buoyed by prospects of lower oil prices, analysts said. But June's retail sales slipped a seasonally adjusted 0.8% from the figure for May.

Issues declining in price outnumbered advancers 50 to 43, with 43 unchanged, on the full *NRN* 116-stock listing.

Associated Hosts, indicating a sale of the company may be near, gained $1, to $12.38 per share.

Penny-stock Kelly-Johnston led the losers' list, off 13¢ to 38¢.

Among the bellwether issues, McDonald's dropped $2.25 per share, to close at $67.38. Shoney's gained 13¢, to $29.25. Wendy's, unchanged at $17.50.

Western Steer, which gained $2 at $11.50 on volume 241% heavier than its previous 12-week average, said it earned 27¢ in the latest quarter, up 3.8% from the year before.

Penny-stock Stuff Yer Face led the price-winners' list, up 13¢ to 63¢. Fast Food Operators gained 19¢, to 94¢. Nankin Express recovered 13¢, to 75¢. Taco Viva, up 75¢, to $6.13.

Swensen's Inc. lost 38¢ to close at $2.13, to rank second on the loser's list. One Potato Two, off 13¢ to 88¢.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Wstn Steer ..... M	241.4	TGIF Texas ..... O	188.9
Skippers ..... M	215.9	Folks Rest ..... O	167.6
Assoc Hosts ..... M	213.9	USACafes ..... M	148.5
Taco Viva ..... M	209.8	Hambrg Hamlet ..... O	143.6
Fast Food Oper ..... O	204.0	Po-Folks ..... M	133.7

TOP TEN GAINERS

(Weekly Price Change, in %)

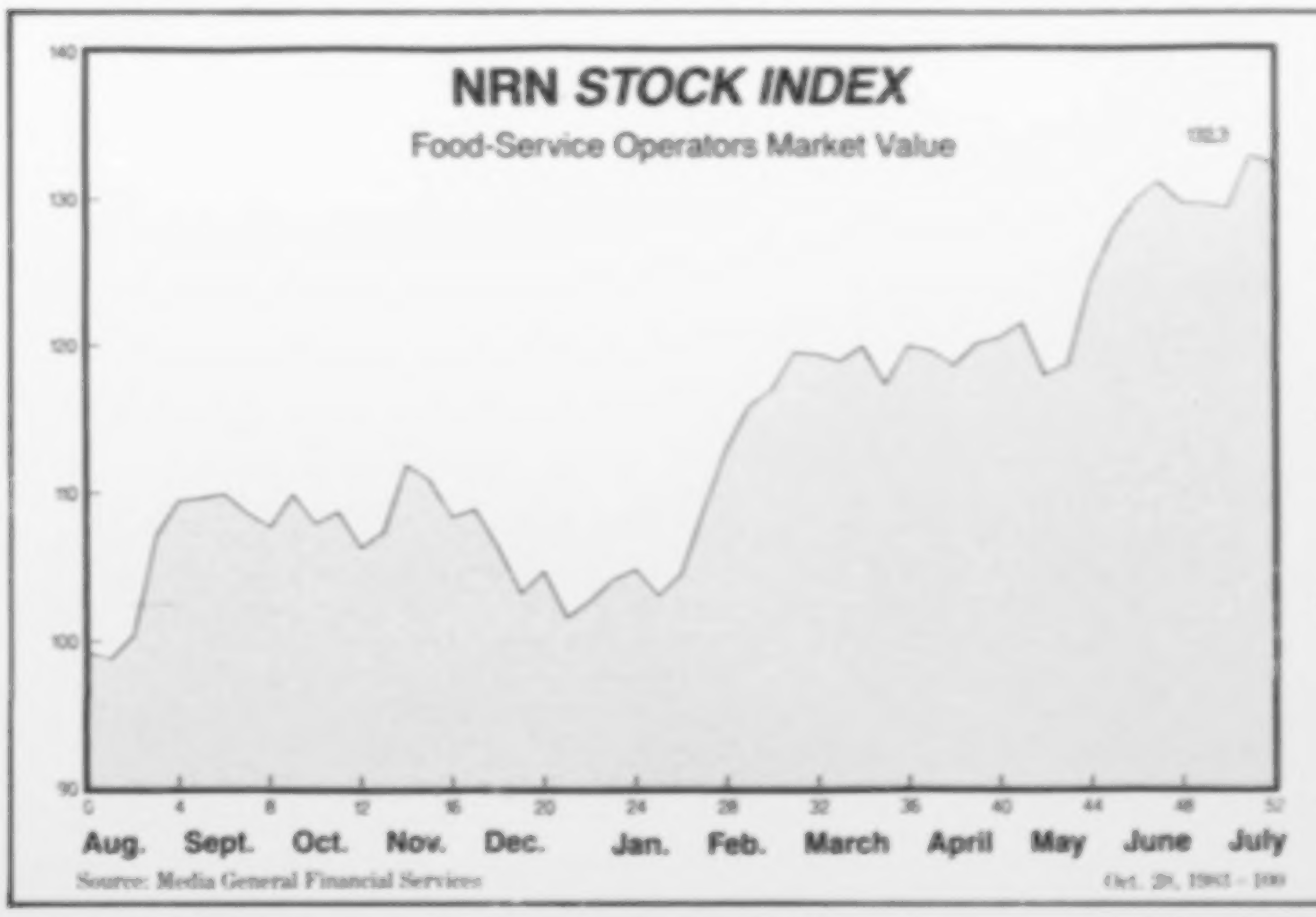
Stuff Yer Face ..... O	25.0	Kapok Cp ..... A	13.3
Fast Food Oper ..... O	25.0	Assoc Hosts ..... M	8.8
Wstn Steer ..... M	21.1	Karcher Carl ..... M	8.3
Nankin Express ..... O	20.0	Po-Folks ..... M	8.3
Taco Viva ..... M	14.0	Fuddruckers Inc ..... M	8.3

TOP TEN LOSERS

(Weekly Price Change, in %)

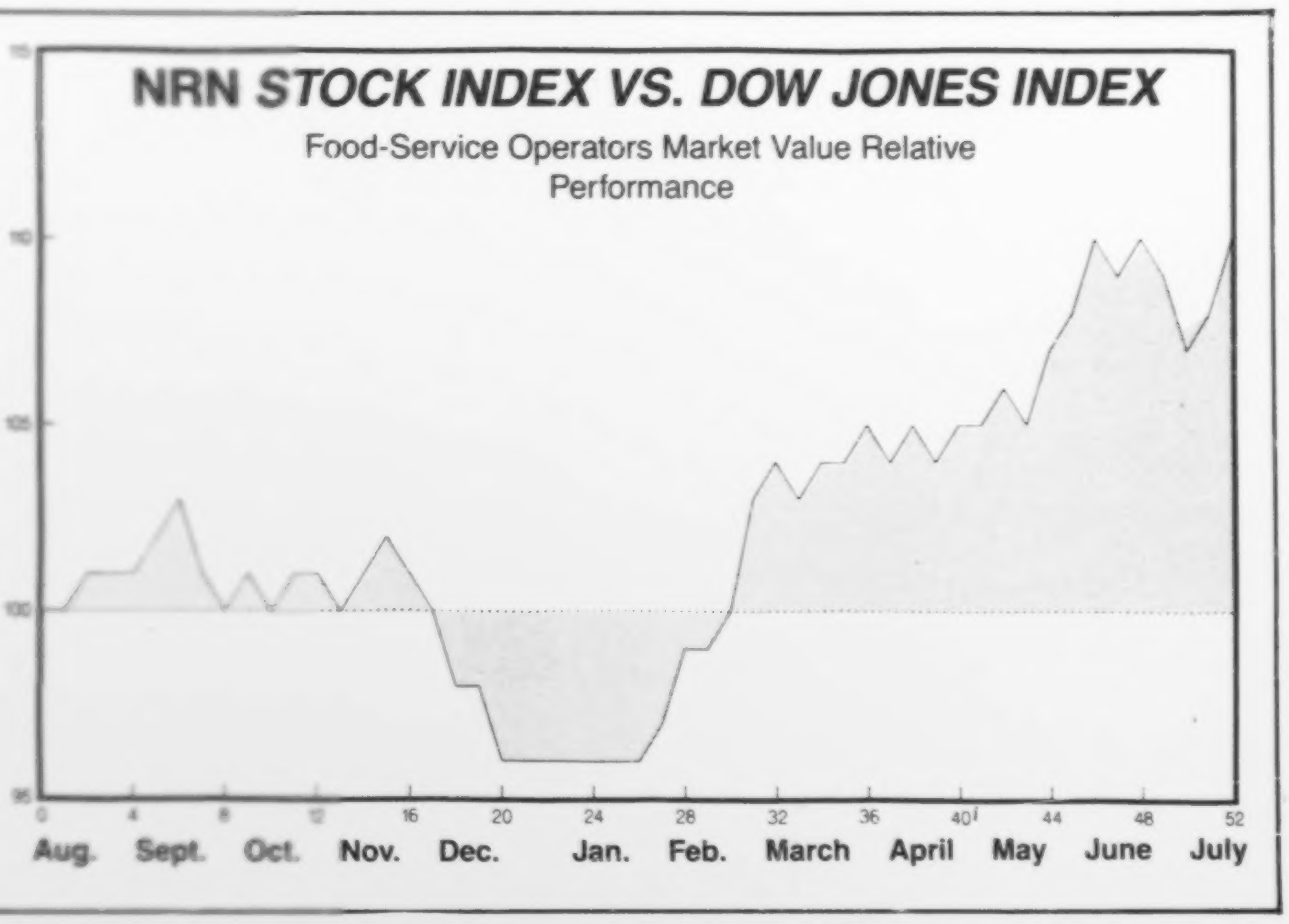
Kelly-Johnston ..... O	- 25.0	Capt Crab ..... M	- 10.0
Swensens Inc ..... O	- 15.0	So Hospitality ..... M	- 9.5
1 Potato 2 ..... O	- 12.5	Good Taco ..... O	- 9.1
Lifestyle Rest ..... A	- 11.1	Cracker Barrel ..... M	- 8.8
Folks Rest ..... O	- 10.0	Brock Hotel Cp ..... N	- 8.3

	Stock Market											Financial Update																	
	Price							Volume					Indicated Div. Rate		Latest Report			Latest Quarter						Year-to-Date					
	7-12-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ..... M	6.75	.38	5.9	6.75	6.38	7.13	3.50	120	.34	.68	- 50.0	20.5	.00	.0	—	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests ..... O	4.13	- .25	- 5.7	4.38	4.13	5.38	3.50	30	.12	.66	- 81.8	31.7	.00	.0	—	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants ..... O	3.75	- .13	- 3.2	4.00	3.75	5.75	2.38	75	.33	.25	32.0	75.0	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts ..... M	12.38	1.00	8.8	12.63	10.75	17.13	10.75	2,888	6.53	2.08	213.9	16.7	.12	1.0	—	6 mos.	03-85	22.9	- 5.8	.7	- 36.4	.16	- 36.0	45.4	- 3.6	1.4	- 26.3	.32	- 25.6
Benihana Natl ..... M	20.38	- .25	- 1.2	20.50	19.63	21.75	10.75	622	2.14	5.26	- 59.3	19.0	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms ..... M	22.75	1.00	4.6	22.75	21.50	22.75	15.25	1,030	.63	.62	1.6	20.5	.30	1.3	—	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp ..... M	2.50	- .13	- 4.8	2.50	2.13	5.13	.63	36	.12	.55	- 78.2	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ..... M	13.50	.13	.9	13.63	13.13	13.63	8.13	1,202	2.66	2.00	33.0	19.9	.16	1.2	NEW	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab ..... M	1.69	- .19	- 10.0	1.81	1.69	2.88	1.31	1,344	.88	1.17	- 24.8	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp ..... N	8.50	.00	.0	8.63	8.25	11.50	7.88	438	.56	.70	- 20.0	11.5	.07	.8	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chefs Intl ..... O	.69	.00	.0	0.75	0.69	1.06	.38	1,458	.75	.46	63.0	NE	.00	.0	NEW	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's ..... M	13.25	.25	1.9	13.38	12.75	18.00	9.38	20,973	7.78	3.63	114.3	21.0	.00	.0		9 mos.	01-85	51.7	16.2	2.6	- 40.9	.10	- 28.6	149.2	27.3	12.1	- 2.4	.45	- 6.3
Chili's Inc ..... M	28.25	- .50	- 1.7	28.63	28.00	28.88	14.50	1,392	2.99	2.24	33.5	36.7	.00	.0	—	9 mos.	03-85	17.3	60.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch ..... N	18.13	- .38	- 2.0	18.63	17.75	20.25	12.75	6,429	1.71	1.71	.0	15.6	.44	2.4	—	3 mos.	03-85	116.3	11.4	7.9	17.9	.21	16.7	116.3	11.4	7.9	17.9	.21	16.7
Collins Foods ..... N	24.13	.13	.5	24.50	24.00	24.88	11.75	2,212	1.68	.91	84.6	17.5	.16	.7	—	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev ..... M	12.00	- .88	- 6.8	12.63	11.50	16.75	5.75	1,188	2.30	4.65	- 50.5	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts ..... M	4.31	.06	1.5	4.31	4.25	5.88	4.00	179	.54	.38	42.1	13.1	.08	1.9	NEW	6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant ..... M	4.50	.00	.0	4.63	4.25	11.88	3.38	675	1.48	2.50	- 40.8	NE	.00	.0		9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel ..... M	13.00	- 1.25	- 8.8	14.00	13.00	23.50	11.75	116	.33	1.33	- 75.2	18.1	.14	1.1	NEW	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc ..... O	4.75	.25	5.6	5.25	4.50	5.75	2.75	40	.23	.21	9.5	33.9	.00	.0	—	9 mos.	03-85	1.6	100.0	.1	.0	.04	33.3	4.8	108.7	.2	.0	.11	10.0
Diversifoods ..... M	11.13	- .25	- 2.2	11.38	11.00	14.63	8.00	221	.07	6.30	- 98.9	27.1	.34	3.1	—	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DiLites Of Amer ..... M	10.25	.63	6.5	10.50	9.38	15.50	9.00	1,582	3.11	3.27	- 4.9	78.8	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts ..... M	24.75	1.63	7.0	24.75	23.38	24.75	14.59	880	1.23	2.06	- 40.3	18.3	.24	1.0	—	6 mos.	04-85	.7	- 96.8	2.8	16.7	.38	15.2	24.7	- 41.3	5.4	14.9	.74	15.6
El Chico ..... M	12.25	.50	4.3	12.50	11.75	12.50	7.25	1,306	2.81	2.03	38.4	15.7	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Pollo Asa ..... O	5.50	.00	.0	5.75	5.38	6.34	1.84	264	1.04	3.43	- 69.7	NE	.00	.0	—	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest ..... N	17.13	- .38	- 2.1	17.63	16.88	19.25	9.88	1,024	.92	.95	- 3.2	16.8	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper ..... O	.94	.19	25.0	1.06	0.75	1.63	.63	900	1.52	.50	204.0	31.3	.00	.0	—	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes ..... M	5.38	.25	4.9	5.38	4.88	8.50	4.88	1,564	2.26	1.92	17.7	NE	.00	.0	—	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest ..... O	2.25	- .25	- 10.0	3.25	2.25	7.38	2.25	137	.91	.34	167.6	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Fresher Cooker ..... O	.38	.00	.0	0.63	0.38	6.63	.25	69	.31	.97	- 68.0	NE	.00	.0	—	3 mos.	03-85	.7	- 22.2	(.2)	NE	(.15)	NE	.7	- 22.2	(.2)	NE	(.15)	NE
Frisch's ..... A	25.50	- .50	- 1.9	26.00	25.50	26.00	14.50	30	.07	.25	- 72.0	21.6	.22	.9	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc ..... M	8.13	.63	8.3	9.00	7.38	15.13	6.00	3,890	5.98	4.21	42.0	NM	.00	.0	—	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot ..... M	2.44	.00	.0	2.50	2.38	5.00	1.63	917	1.53	1.52	.7	NE	.00	.0	—	3 mos.	03-85	16.3	- 4.7	.4	NE	.07	NE	16.3	- 4.7	.4	NE	.07	NE
Good Taco ..... O	.63	- .06	- 9.1	0.69	0.63	3.25	.25	246	.83	1.29	- 35.7	NE	.00	.0	—	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet ..... O	14.25	- .50	- 3.4	15.00	14.25	15.25	10.50	68	.95	.39	143.6	7.7	.00	.0		9 mos.	12-84	9.4	6.8	.3	.0	.39	- 11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger ..... M	4.81	.19	4.1	4.88	4.63	6.50	3.63	423	1.47	1.14	28.9	NE	.00	.0		6 mos.	02-85	14.5	- 8.8	(.4)	- 100.0	(.12)	- 100.0	28.9	- 6.8	(.5)	- 100.0	(.16)	- 100.0
Intl Dairy Queen ..... O	54.50	.50	.9	57.50	54.50	54.50	39.00	18	.09	.11	- 18.2	13.4	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab ..... M	18.50	.00	.0	18.88	17.75	24.75	13.41	677	2.36	2.07	14.0	13.2	.00a	.0		9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest ..... M	14.38	- .25	- 1.7	14.75	14.25	15.50	7.84	599	1.71	5.60	- 69.5	18.0	.16	1.1		6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc ..... M	20.88	.63	3.1	21.00	20.13	21.50	14.13	2,371	1.50	3.45	- 56.5	15.3	.12	.6	—	9 mos.	03-85	122.3	.2	4.3	- 4.4	.27	- 6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp ..... A	4.25	.50	13.3	4.38	3.63	4.38	1.13	854	3.81	1.98	92.4	6.6	.00	.0	—	3 mos.	12-84	5.2	15.6	3.9	NE	1.67	NE	5.2	15.6	3.9	NE	1.67	NE
Karcher Carl ..... M	16.38	1.25	8.3	16.63	15.13	29.63	13.50	1,409	1.99	2.13	- 6.6	10.0	.00	.0	—	fiscal	01-85	75.3	8.2	1.4	- 33.3	.20	- 28.6	331.4	14.4	11.6	.9	1.64	1.2
Kelly-Johnston ..... O	.38	- .13	- 25.0	0.50	0.38	5.00	.25	324	.38	2.06	- 81.6	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest ..... A	2.00	- .25	- 11.1	2.25	2.00	3.50	1.75	118	.21	.39	- 46.2	NE	.00	.0	—	3 mos.	01-85	17.1	- 10.9	(2.5)	NE	(.44)	NE	17.1	- 10.9	(2.5)	NE	(.44)	NE
Luby's Cafe ..... N	35.13	2.50	7.7	36.50	32.50	36.50	24.00	1,133	.93	.71	31.0	22.7	.54	1.5	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp ..... M	18.88	.50	2.7	19.00	18.38	19.00	12.25	391	.77	.59	30.5	12.3	.30	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp ..... N	96.25	- .63	- .6	97.00	94.75	97.00	64.88	1,089	.41	.59	- 30.5	16.9	.54	.6	NEW	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest ..... M	3.13	- .25	- 7.4	3.38	3.13	6.25	2.25	122	.25	.38	- 34.2	39.1	.00	.0		fiscal	01-85	2.6	62.5	(.2)	- 100.0	(.05)	- 100.0	10.9	73.0	.4	- 33.3	.08	- 38.5
Max & Erma's ..... O	2.88	- .13	- 4.2	3.50	2.88	4.75	2.50	2	.01	.24	- 95.8	NE	.00	.0	—	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp ..... N	67.38	- 2.25	- 3.2	69.63	67.13	70.00	45.19	6,545	.76	1.02	- 25.5	15.3	.90	1.3	—	fiscal	12-84	1019.7	31.5	91.2	14.1	1.02	12.1	3414.8	13.8	389.1	13.6	4.39	14.6
McFaddin Ventures ..... O	10.75	.38	3.6	11.00	10.38	12.25	9.63	825	1.69	.75	125.3	15.8	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc ..... M	21.38	1.38	6.9	21.50	20.00	21.38	15.50	4,174	3.15	1.49	111.4	14.0	.48	2.2	NEW	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak ..... O	2.13	.00	.0	2.38	2.13	3.13	1.13	195	.41	.90	- 54.4	NE	.00	.0	—	6 mos.	03-85	.9	- 94.8	(.2)	NC	(.05)	NC	14.8	- 54.7	(.1)	NC	(.03)	- 100.0
Nankin Express ..... O	.75	.13	20.0	1.00	0.63	2.38	.63	208	.92	.87	5.7	NE	.00	.0	—	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans ..... M	3.63	.00	.0	3.63	3.50	4.50	2.00	80	.36	.51	- 29.4	11.3	.00a	.0	—	fiscal	03-85	5.5	34.1	(.2)	NE	(.07)	NE	22.7	13.5	.7	75.0	.32	68.4
Natl Pizza ..... M	12.25	.75	6.5	12.25	11.38	12.25	7.50	291	.53	1.01	- 47.5	17.5	.00	.0		fiscal	03-85	10.1	74.1	.8	166.7	.14	1300.0	40.5	35.0	3.6	33.3	.70	52.2
Naugles Inc ..... M	4.75	- .13	- 2.6	4.88	4.63	10.13	4.50	531	1.17	1.65	- 29.1	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman ..... O	8.13	.00	.0	8.63	8.13	8.50	5.94	10	.08	.44	- 81.8	47.8	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	- 100.0	4.7	4.4	(.1)	NC	(.11)	- 100.0
1 Potato 2 ..... O	.88	- .13	- 12.5	1.13	0.88	8.25	.88	108	.49	.49	.0	NE	.00	.0	—	fiscal	01-85	4.4	NC	(4.5)	NC	(2.08)	NC	15.4	NC	(6.0)	NC	(2.77)	- 100.0
Old Fashion Fd ..... M	4.50	.00	.0	4.50	4.25	5.50	4.00	62	.44	.39	12.8	9.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet ..... M	8.13	.13	1.6	8.25	7.88	8.38	6.00	2,369	6.38	3.53	80.7	14.8	.13	1.6	—	6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants ..... M	.13	.00	.0	0.19	0.13	1.88	.13	1,192	1.38	2.22	- 37.8	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ..... M	22.50	- .25	- 1.1	23.00	22.50	24.25	16.50	465	.77	.74	4.1	14.2	.60	2.7	—	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4



Source: Media General Financial Services

Oct. 28, 1983 = 100



		Stock Market												Financial Update																	
		Price							Volume																						
		7-12-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
																			Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn	A	8.13	-.50	-5.8	8.88	8.13	12.75	6.88	188	.62	.90	-31.1	27.1	.08	1.0	—	3 mos.	03-85	47.7	24.2	.1	-87.5	.04	-84.6	47.7	24.2	.1	-87.5	.04	-84.6
Po-Folks	M	13.00	1.00	8.3	13.25	12.00	16.63	8.75	887	2.01	.86	133.7	18.6	.00	.0	—	6 mos.	03-85	30.2	30.2	.2	.0	.03	-40.0	60.5	30.1	.8	-20.0	.18	-21.7
Ponderosa Sys	N	12.50	-.25	-2.0	13.13	12.50	21.50	10.75	1,224	1.27	2.33	-45.5	27.8	.40	3.2	—	3 mos.	05-85	117.2	-1.3	.8	-82.2	.08	-85.5	117.2	-1.3	.8	-82.2	.08	-85.5
Primo Inc	O	1.50	.00	.0	1.63	1.50	4.63	1.50	241	.71	.71	.0	NE	.00	.0	—	6 mos.	03-85	.8	-20.0	.1	.0	.03	.0	1.8	-10.0	.2	.0	.07	16.7
RAX Restaurants	M	8.00	-.25	-3.0	8.25	8.00	16.38	7.50	234	.35	.73	-52.1	19.5	.00	.0	—	6 mos.	01-85	24.9	18.0	(.6)	-100.0	(.08)	-100.0	54.2	22.6	.3	-85.0	.05	-84.4
Rest Assoc	A	8.25	-.13	-1.5	8.38	8.13	8.88	5.38	75	.27	.56	-51.8	19.2	.00	.0		3 mos.	03-85	33.2	10.7	(.3)	NC	(.12)	NC	33.2	10.7	(.3)	NC	(.12)	NC
Rest Mgmt	M	19.50	.50	2.6	19.50	18.25	19.50	9.00	110	.69	1.79	-61.5	20.5	.09	.5	—	6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems	M	15.50	.75	5.1	15.75	14.75	16.50	11.75	168	.73	.95	-23.2	17.0	.06	.0	—	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D	M	2.25	.00	.0	2.38	2.00	6.25	1.75	266	.91	.77	-33.8	NE	.00	.0	—	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican	M	16.88	.00	.0	16.88	16.63	18.25	11.00	63	.22	.55	-60.0	22.8	.00	.0	—	9 mos.	04-85	13.0	39.8	.6	20.0	.24	-4.0	34.5	40.2	1.1	.0	.42	-20.8
Ryan's Fam	M	16.50	-.25	-1.5	16.75	16.00	19.25	11.34	1,162	1.68	1.68	.0	30.0	.00	.0	—	3 mos.	03-85	10.5	56.7	1.1	37.5	.16	33.3	10.5	56.7	1.1	37.5	.16	33.3
Saga Corp	N	27.13	.13	.5	27.13	26.63	35.50	24.50	1,140	.87	1.28	-32.0	10.9	.52	1.9	—	9 mos.	03-85	327.3	15.2	7.6	-7.3	.57	-8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef	M	8.38	-.38	-4.3	8.88	8.38	9.00	6.75	142	1.13	.74	52.7	14.7	.00	.0	—	9 mos.	03-85	7.2	9.1	.2	.0	.13	-23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley	M	8.25	.63	8.2	8.38	7.25	9.50	6.50	1,255	3.44	2.31	48.9	3.8	.00	.0	—	3 mos.	03-85	14.6	-8.8	2.0	42.9	.57	58.3	14.6	-8.8	2.0	42.9	.57	58.3
Shoney's Inc	M	29.25	.13	.4	29.25	28.63	31.88	19.88	3,829	1.35	1.03	31.1	24.6	.15	.5	—	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South	M	12.38	-.25	-2.0	12.50	12.13	16.59	12.13	177	.32	1.22	-73.8	11.7	.00	.0	—	3 mos.	03-85	50.3	8.2	.9	-52.6	.15	-55.9	50.3	8.2	.9	-52.6	.15	-55.9
SIS Cp	M	4.75	.00	.0	4.75	4.00	6.50	3.25	59	.38	.28	35.7	NE	.00	.0	—	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl	M	24.00	.00	.0	24.00	23.50	24.00	12.00	1,195	1.75	1.03	69.9	16.6	.00	.0	—	fiscal	04-85	42.6	13.0	2.9	16.0	.42	16.7	159.5	11.9	9.9	23.8	1.45	23.9
Skippers	M	9.75	-.38	-3.7	10.13	9.75	12.50	8.00	1,087	3.98	1.26	215.9	10.8	.06	.6	—	3 mos.	03-85	15.4	14.9	.5	.0	.17	-15.0	15.4	14.9	.5	.0	.17	-15.0
So Hospitality	M	4.75	-.50	-9.5	5.13	4.50	5.88	4.00	1,090	2.19	2.25	-3.1	13.6	.00	.0	—	9 mos.	02-85	8.3	-6.7	.2	.0	.04	.0	29.3	14.5	1.0	25.0	.20	11.1
Stuff Yer Face	O	.63	.13	25.0	0.75	0.50	1.44	.50	395	.26	.46	-43.5	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	-100.0	(.04)	-100.0
Swensens Inc	O	2.13	-.38	-15.0	2.38	2.13	3.50	1.50	280	.87	.44	97.7	NE	.00	.0	—	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa	O	5.75	.25	4.5	6.00	5.50	7.75	4.75	92	.24	.21	14.3	19.8	.00	.0	—	3 mos.	03-85	8.8	22.2	.3	.0	.07	-12.5	8.8	22.2	.3	.0	.07	-12.5
Taco Viva	M	6.13	.75	14.0	6.13	5.38	7.50	4.84	1,402	4.09	1.32	209.8	18.0	.00	.0		9 mos.	02-85	5.5	-6.8	.3	-25.0	.10	-9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's	N	10.25	.00	.0	10.38	9.88	12.63	7.88	462	.40	.65	-38.5	15.3	.00	.0	—	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas	O	2.00	.00	.0	2.50	2.00	2.75	2.00	40	.26	.09	188.9	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY	M	21.13	1.13	5.6	21.50	19.50	21.50	1.81	1,966	4.51	4.62	-2.4	88.0	.00	.0	—	3 mos.	02-85	2.0	185.7	.2	NC	.04	300.0	2.0	185.7	.2	NC	.04	300.0
Transworld	N	39.75	-.75	-1.9	40.50	38.75	40.63	25.13	5,594	1.57	1.93	-18.7	12.9	.48	1.2	—	3 mos.	03-85	479.8	3.5	16.2	-16.1	.40	-14.9	479.8	3.5	16.2	-16.1	.40	-14.9
USACafes	M	5.25	-.25	-4.5	5.44	4.88	5.75	2.75	3,702	5.89	2.37	148.5	15.0	.28	5.3	—	6 mos.	03-85	4.8	.0	.8	.0	.09	-35.7	9.4	17.5	1.2	9.1	.16	-15.8
Vicorp Restaurants	M	24.38	.25	1.0	24.50	23.88	28.25	13.25	4,295	5.11	5.27	-3.0	20.3	.12	.5	—	6 mos.	04-85	85.8	61.0	1.4	-30.0	.17	-43.3	192.5	121.3	2.8	-9.7	.34	-26.1
Victoria Stations	M	3.00	-.25	-7.7	3.13	2.88	7.13	2.13	300	.85	2.80	-69.6	NE	.00	.0	—	9 mos.	12-84	27.6	-8.0	(1.2)	NE	(.35)	NE	73.5	-5.3	(3.7)	NE	(1.05)	NE
Wendys Intl	N	17.50	.00	.0	17.50	17.13	19.13	12.19	7,409	1.01	1.43	-29.4	18.2	.21	1.2	—	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer	M	11.50	2.00	21.1	11.50	9.50	11.75	9.00	120	.99	.29	241.4	18.9	.20	1.7	NEW	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp	N	6.25	.25	4.2	6.25	6.00	13.38	5.13	281	.58	1.02	-43.1	44.6	.00	.0	—	3 mos.	03-85	24.0	-1.2	(.6)	-100.0	(.16)	-100.0	24.0	-1.2	(.6)	-100.0	(.16)	-100.0
Hotels, Motels, and Casinos																															
Brock Hotel Cp	N	2.75	-.25	-8.3	3.13	2.63	5.63	1.88	1,413	1.07	1.13	-5.3	NE	.10	3.6	—	3 mos.	03-85	96.8	-8.6	13.9	2680.0	.98	2350.0	66.8	-8.6	13.9	2680.0	.98	2350.0
Hilton Hotels	N	65.38	-.63	-.9	66.13	65.00	73.50	45.50	2,133	.86	1.31	-34.4	14.3	1.80	2.8	—	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns	N	54.13	-1.13	-2.0	55.88	53.50	57.63	35.25	2,746	.96	1.32	-27.3	13.6	1.00	1.8	—	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn	N	30.50	-1.50	-4.7	32.00	30.50	33.63	13.69	1,035	.54	.86	-37.2	27.0	.09	.3	—	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns	N	7.38	-.13	-1.7	7.50	7.13	8.25	5.13	3,397	.91	1.77	-48.6	92.2	.00	.0	—	3 mos.	03-85	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0
Servico Inc	M	23.25	.00	.0	23.25	22.50	23.25	14.78	378	1.09	.70	55.7	14.7	.00a	.0	—	3 mos.	03-85	42.0	-2.1	.1	-88.9	.04	-84.6	42.0	-2.1	.1	-88.9	.04	-84.6
Sonesta Intl	M	22.50	.00	.0	22.50	22.50	27.00	18.50	3	.02	.07	-71.4	7.6	.40	1.8	—	3 mos.	03-85	12.0	-13.7	(2.1)	NE	(1.85)	NE	12.0	-13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																															
Allegheny Bev	M	19.25	.25	1.3	19.50	18.88	22.63	15.00	541	.90	2.26	-60.2	19.1	.40	2.1	—	9 mos.	12-84	NC	NC	(2.3)	-100.0	(.37)	-100.0	368.4	35.4	4.7	-48.9	.75	-49.3
Ch Full O Nut	N	8.00	-.38	-4.5	8.38	7.88	11.41	7.03	213	.44	.61	-27.9	NM	.00a	.0	—	9 mos.	04-85	29.9	4.2	.1	-66.7	.02	-66.7	87.1	.2	.4	-60.0	.09	-57.1
Disney, Walt	N	87.75	-4.00	-4.4	91.50	85.63	95.00	49.50	9,102	2.76	1.78	55.1	60.9	1.20	1.4	—	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Arden Intl	O	2.13	.13	6.3	2.25	2.00	2.75	1.13	78	.33	.57	-42.1	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills	N	60.50	-1.13	-1.8	61.75	59.63	64.00	47.75	4,539	1.02	1.93	-47.2	35.8	2.24	3.7	—	9 mos.	02-85	354.8	-73.6	(74.1)	-100.0	(1.64)	-100.0	3300.6	-22.2	35.6	-81.5	.79	-80.6
Grace W R	N	41.25	.38	.9	41.25	40.75	44.50	38.50	2,361	.49	1.00	-51.0	10.9	2.80	6.8	—	3 mos.	03-85	1580.0	5.5	35.5	-22.7	.72	-23.4	1580.0	5.5	35.5	-22.7	.72	-23.4
Horn & Hardart	A	9.00	-.25	-2.7	9.50	8.38	15.59	8.38	1,654	1.34	1.36	-1.5	17.3	.00a	.0		3 mos.	03-85	82.3	-4.7	.0	-100.0	(.01)	-100.0	82.3	-4.7	.0	-100.0	(.01)	-100.0
Ogden Corp	N	30.38	-.50	-1.6	30.88	29.88	31.88	24.13	1,145	.60	.81	-25.9	14.7	1.80	5.9	—	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc	N	59.75	-.75	-1.2	60.50	57.25	60.50	39.88	26,689	2.78	1.96	41.8	15.6	1.78	3.0	—	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co	N	52.88	-1.88	-3.4	54.88	52.75	56.63	35.50	3,120	.72	.75	-4.0	12.5	1.56	3.0	—	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	-17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec	O	3.50	.00	.0	4.00	3.50	4.50	3.50	13	.07	.09	-22.2	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	-100.0	1.1	57.1	(.1)	NC	(.03)	-100.0
Vie de France	M	10.75	.25	2.4	10.88	10.38	15.25	8.13	1,162	1.07	1.28	-16.4	18.2	.23	2.1		9 mos.	03-85	18.8	16.8	1.5	-11.8	.15	-11.8	48.5	20.3	4.5	9.8	.42	2.4

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

G5150-5

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Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

Vol. 19, No. 31 **Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year** **July 29, 1985**

Key Pioneer execs resign

Corporate staff cut 10% as sales stall

By Richard Martin

LOS ANGELES — Hounded by flat same-store sales and restaurant closures in its 320-unit fried-chicken chain, Pioneer Take Out Corp. has cut its corporate staff by 10% and accepted the resignations of president Frank Damante and other senior executives.

Founder and chairman H. R. "Rick" Kaufman has resumed the presidency of the 23-year-old, privately held company, which reported systemwide sales of $103.4 million last year.

Demante

Bart Jolin, former Western regional general manager at four divisions of Campbell Soup Co.'s restaurant group, was named Pioneer's executive vice president in charge of operations, real estate, construction, marketing, research and development. He had been concept development vice president, reporting to Kaufman, for the last two years.

Damante, who was named Pioneer's president and chief operating officer in April 1984, had previously been Western regional vice president of Sara Lee Corp.'s PYA/Monarch division and senior vice president of W. R. Grace's Far West Services division. He had also held vice presidencies with Nobel Food Services and A&W International.

Resigning their posts along with Da-

*(See **PIONEER**, page 55)*

Leading steakhouses press expansion drive

Eli Schulman

By Paul Frumkin

The great independent steakhouse expansion race is under way, and the players all seem to agree that the entire pack could finish well in the money.

The New York-based Palm, owned by Bruce Bozzi and Walter Ganzi, is unquestionably the early front-runner in this race, with nine steakhouses already open and one more planned for 1986.

But by the end of the year, Chicago restaurateur Arnie Morton could be closing the gap, with three steakhouses in operation and another four expected to open by December.

A late starter is the giant 500-seat Smith & Wollensky in New York, co-owned by Alan Stillman, Mike Byrne and a group of investors. Yet, if plans run smoothly, there could be two new Smith & Wollenskys operating by the end of 1985 and another two opening in 1986.

Ironically, the big push among those independents to expand nationally seems to run counter to the declining popularity of red meat in this country. According to the U.S. Department of Agriculture, per-capita con-

*(See **STEAKHOUSES**, page 12)*

SELECTED STEAKHOUSES

	Owner(s)	Existing Locations	New Locations	Check Average	Avg. Unit Sales
Morton's of Chicago	Arnie Morton	Chicago, Washington, D.C., Philadelphia	Denver, Dallas, Atlanta, Westbrook, Ill.	$40	$3.0M
Smith & Wollensky	Alan Stillman, Michael Byrne, other investors	New York	Boston, Chicago, Los Angeles, Texas	40	11.0M
The Palm	Walter Ganzi, Bruce Bozzi	New York (2), East Hampton, N.Y., Washington, D.C., Chicago, Dallas, Miami, Los Angeles, Houston	San Francisco	40	N/A

Independent builds sales with dessert bar

By Ken Frydman

LITITZ, Pa. — A $7.25 all-you-can-eat chocolate-dessert bar, crammed with mousses, tortes, bonbons and cakes, has helped boost revenue 25% since it was installed at the Wells-Warwick House restaurant last November.

"We project sales increasing from $400,000 to $500,000 this year thanks mostly to the chocolate-dessert bar," said Ray Wells, co-owner with his wife, Judy, of the 100-seat steaks, chops and seafood restaurant, located seven miles north of Lancaster.

Of the restaurant's 1,000 average weekly customers, approximately 200 partake of the chocolate-dessert bar, according to Ray Wells. The Wellses and their service staff suggestively promote the calorie-lovers 'dream' table tents and "reminders to check it out when customers are at the salad bar," he added.

Since the introduction of the chocolate-dessert bar, the Wells-Warwick House's average per-person dinner check has increased $2.50, to $15, and the average lunch check 50¢, to $7, according to Ray Wells.

"When someone sits down and has 8 or 10 desserts, we lose money," said Judy Wells. "But others compensate for the loss by eating like normal people."

*(See **DESSERT**, page 55)*

INSIDE *NRN*

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Flat store sales spur Rax rollout

Chain adds dinner salads to boost evening traffic

By David Zuckerman

COLUMBUS, Ohio — Rax Restaurants, whose average unit sales have plummeted 7% to $709,000 this year, is adding three new individually packaged "Fiesta Salads" to its 30-item menu in an effort to increase traffic after 4 p.m.

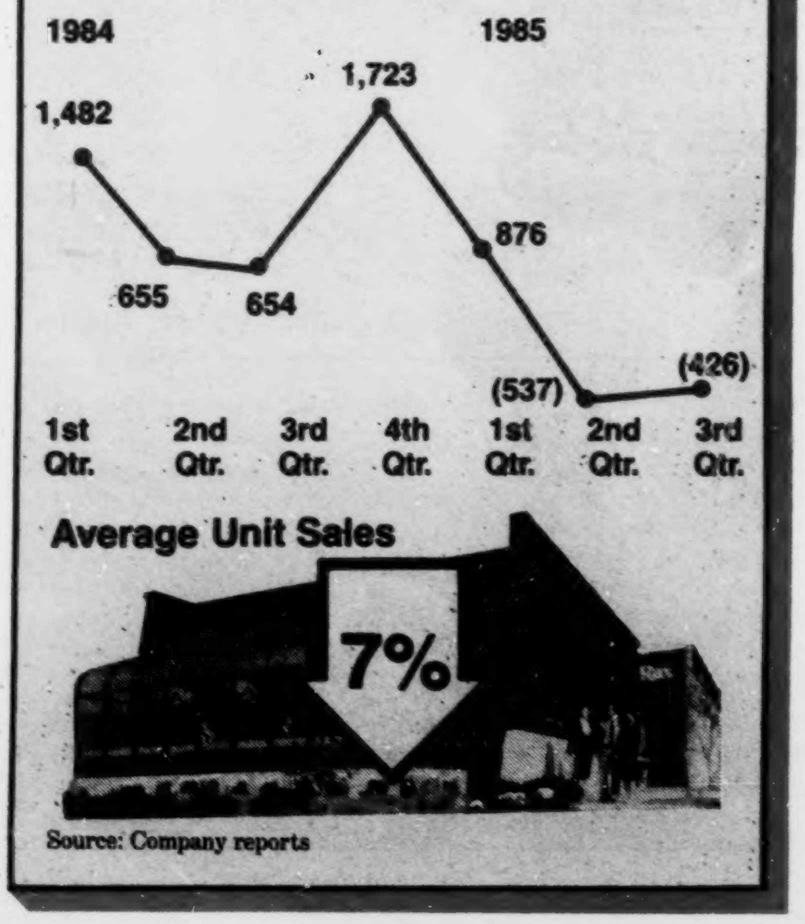
Meanwhile, officials of the 450-unit chain said they would concentrate on a stepped-up marketing drive and improved site selection to reverse a yearlong slump in sales and earnings that will all but wipe out net profit for the fiscal year ending July 31.

For the most recent quarter, Rax posted a $426,000 net loss on revenues of $27.2 million as compared with $654,000 profit in the year-earlier period. In the first 39 weeks of fiscal 1985,

*(See **RAX**, page 55)*

RAX'S RECENT LOSSES

(Net Income [Loss] by Quarter, In $ Thousands)



Source: Company reports

L.A. restaurants begin drive to fight hunger

By Richard Martin

LOS ANGELES — Not to be completely outdone by rock music's megadollar fight against world hunger, the Los Angeles food-service community has launched a we-are-the-restaurants campaign to fight famine.

Spearheaded by chef-owner Ken Frank of La Toque in West Hollywood, local restaurants supporting the S.O.S.-Share Our Strength organization are proclaiming their commitment on a Sunset Strip billboard above Frank's restaurant.

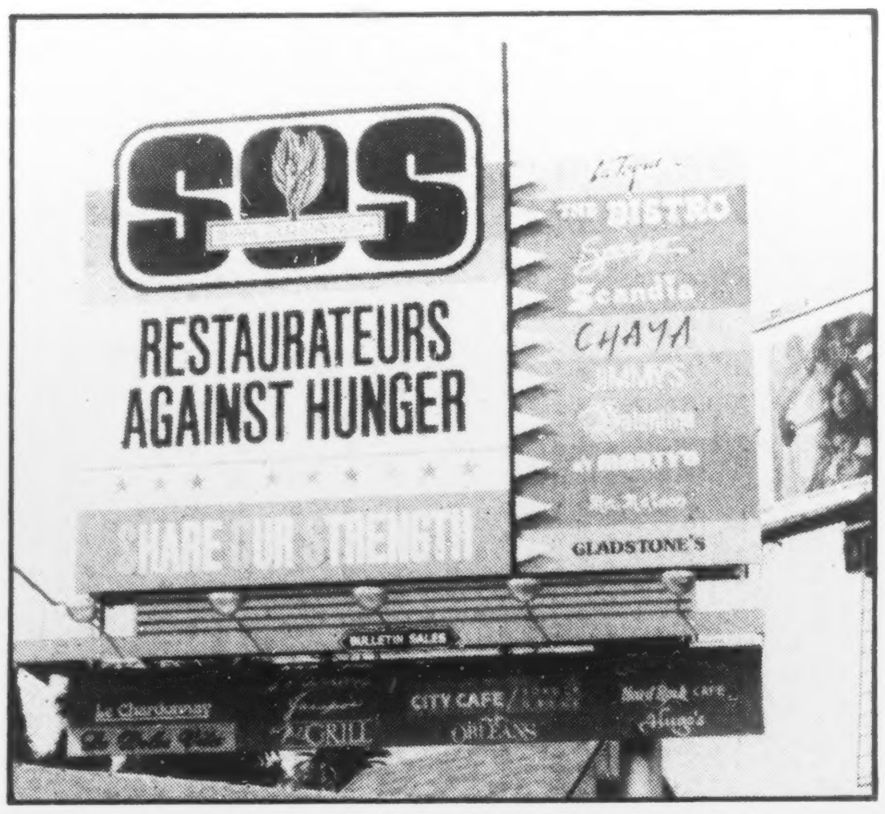
Bill Shore, a senior aide to Sen. Gary Hart, began the nonpolitical S.O.S. program last November. The organization intends to link the world's largest food-supply system, the United States restaurant industry, with the globe's biggest consumer group, the American public, to fund hunger relief efforts.

Restaurateurs in at least 18 U.S. cities have begun local S.O.S. chapters, organized by such industry notables as Frank and Alice Waters of Chez Panisse in Berkeley, Ray Jacomo of The Palm in Washington and Jonathan Waxman of Jams in New York City.

For a minimum annual membership of $500, restaurants get an S.O.S. sticker for their windows, allowing concerned customers to participate through their patronage. S.O.S. officials estimate that more than $10 million a year would be raised if only 5% of the nation's 400,000-odd restaurants joined the campaign. Funds raised go to existing domestic and international hunger-relief groups, including Oxfam-America, CARE and Second Harvest.

Describing U.S.A. for Africa as an afternoon's work for the rock musicians involved, Frank called the $500 annual S.O.S. dues "an evening's work for a successful restaurant." Initial joiners getting maximum billboard exposure with La Toque are The Bistro, Spago, Scandia, Chaya Brasserie, Jimmy's, Valentino, At Marty's, Ma Maison and Gladstone's 4 Fish.

At least 37 more local establishments, including Orleans, Le Chardonnay, The Grill, Hard Rock Cafe, Carlos 'n Charlie's, Gulliver's and 20 units of the Hamburger Hamlet chain, are now also represented on the billboard.



Billboard above La Toque on the Sunset Strip.

Orange Julius sale imminent

Custom Creamery agrees to acquire soft-drink chain

Orange Julius

Custom Creamery Systems is planning to spend $15 million in cash, stocks and stock warrants to acquire Orange Julius.

NEW YORK — Custom Creamery Systems has agreed in principle to acquire Santa Monica, Calif.-based Orange Julius International for $10 million in cash, $4.5 million in stock and $500,000 in common stock purchase warrants.

The purchase is subject to approval by Orange Julius's 40 stockholders. A vote is scheduled for Aug. 22 in Santa Monica.

Upon completion of the deal, Custom Creamery, a publicly held processor and distributor of dairy, ice cream, juices and tofu-based products based here, will change its corporate name to Orange Julius International Inc., said its president, Munawar H. Hidayatallah.

The company, which recorded $200 million in sales last year, markets its products under Hawthorne Mellody and other brand names. It also owns 19,000 vending machines in Ohio, Kentucky, Indiana, Florida and Michigan.

The existing Orange Julius management team, headed by president and chief executive James J. Bischoff and chairman A. Michael Bloom, will not change, Hidayatallah said.

The 766-unit chain reported a net profit of $772,000 on revenue of $11.5 million for the six-month period ended Feb. 28. For the year ending Aug. 31, officials project systemwide sales of $123 million.

All but 33 units are franchised. About 95% of all units operate in malls and shopping centers. Expansion plans call for 35 to 40 new units in the United States and 10 to 12 in Canada by 1986.

Hidayatallah's plans for the company include using Orange Julius name recognition with numerous new products to be phased in slowly, aimed at bringing the stores more of a healthful, nutritional ambience. In addition to the chain's fruit-based proprietary drink, which accounts for as much as 70% of sales, will be new yogurt and tofu-based drinks and a concoction of tofu-based dessert, yogurt or ice cream mixed with cookies, candies or fruit and blended in Custom Creamery's patented Homogenizer machine.

Marketed through Flavor Factory kiosks, the machine is also used in 11 Woolworth stores, several colleges and other locations. Hidayatallah, 41, said he also wants to eventually roll Orange Julius drinks into supermarkets and vending machines. The chain is now testing new nachos and a "Cream Supreme" drink line.

Joe Johnston leaves as chairman of K-J

OKLAHOMA CITY — Joe Johnston has resigned as chairman and chief executive of Kelly-Johnston Enterprises as part of the company's reorganization under Chapter 11 of the Bankruptcy Code.

Johnston, 41, will be succeeded by executive vice president Raymond S. Koss, 36.

The move leaves Kelly-Johnston—a Chi-Chi's franchisee and owner of the Duff's and Joe Kelly's chains—without the two men who founded the company in 1977. The other co-founder, Arthur "Mike" Kelly, resigned in 1984 amid the first signs the company was in serious financial trouble.

After Johnston's resignation, Koss disclosed a series of managerial changes at all three restaurant divisions:

- Gary Zambon, 30, has been named president of the company's Duff's division, which operates nine restaurants and franchises about 50 restaurants. Zambon, previously Duff's franchising vice president, succeeds president William Chizmar, 38, and operations vice president Tom Dowling, both of whom resigned.

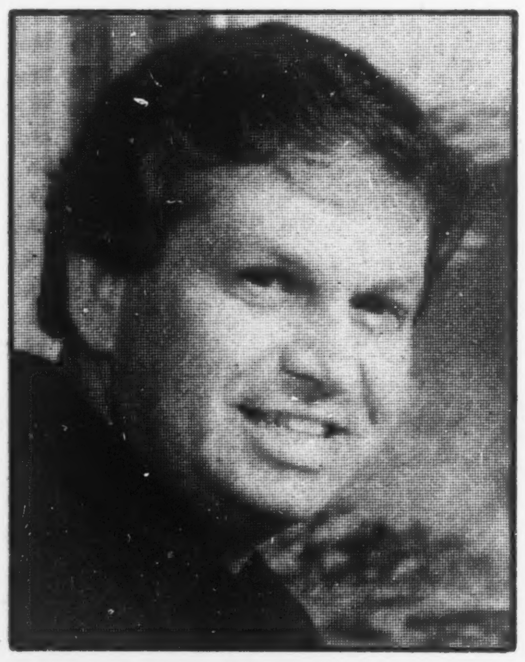
In addition, Kelly-Johnston has moved Duff's headquarters from Oklahoma City to Orlando, Fla.

- Roy Dunn, 33, has been named to oversee the company's Chi-Chi's division, which operates 17 franchises, and Joe Kelly's Inc., operator of six Joe Kelly's seafood dinnerhouses.

Dunn, who recently returned to the company after a brief departure, succeeds Ron Fuller, previous head of operations for Joe Kelly's; Bruce McGlinchey, previously Joe Kelly's president; Sam Talucci, former Joe Kelly's supervisor; and Jim Murdock, who had been president of the Chi-Chi's division.

The company will soon close seven to nine Chi-Chi's restaurants and all six Joe Kelly's restaurants, Koss said. Kelly-Johnston has been trying to sell some Chi-Chi's units to the parent company, which is based in Louisville.

Koss said Kelly-Johnston, which has been operating under Chapter 11 since April, consolidated the management team because "for the long pull, we agreed we need just one man heading up each area." Under Chapter 11, a company seeks protection from creditor lawsuits while it works out a plan to pay its debts.



Joe Johnston

Kelly-Johnston, once one of the most promising new companies in food service, listed assets of $8 million and $62.8 million in liabilities when it filed for reorganization April 26.

Wall Street analysts and other industry observers said the company's problems began shortly after it purchased the then-133-unit Duff's chain for $20 million in the summer of 1983.

Soon afterward the company uncovered operational problems in the Duff's system and was forced to close several ailing Chi-Chi's.

Store-level sales up 6% at biggest chains

MIDDLETOWN, N.J. — Store-level sales at the nation's 17 biggest restaurant chains held to a steady 6% year-to-year rise in June, according to Restaurant Trends Inc., a market research firm.

But rising prices narrowed inflation-adjusted gains to 3%, from 3.5% in May, said Carl DiBiase, a partner in the firm, which tracks sales at 100 chains through thousands of telephone interviews with managers every month.

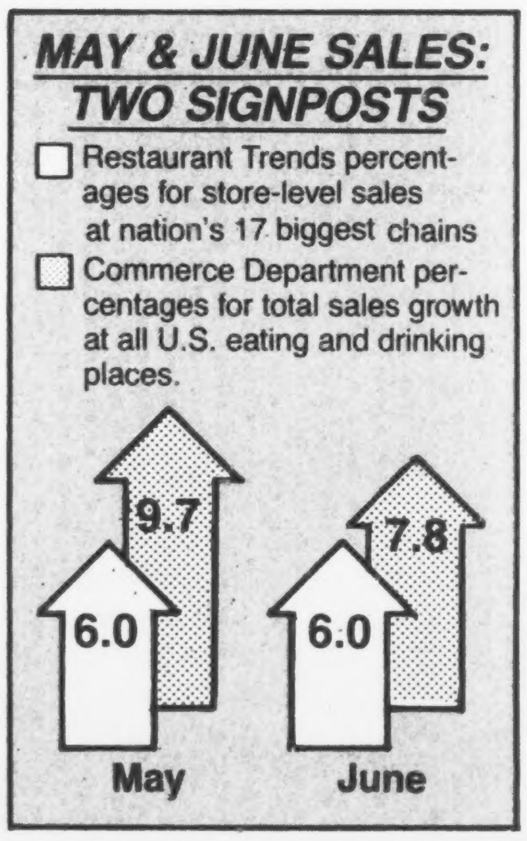
DiBiase said the menu-price inflation rate in June was at its highest level since March 1984, "which means that real sales increases were slower than in May."

The release of data from Restaurant Trends Inc. coincided with a report from the U.S. Commerce Department's Bureau of the Census. That report estimated sales at all the nation's eating and drinking places climbed 7.8% in June from the year before, to $11.71 billion.

The government's June 7.8% estimate followed a revised 9.7% gain in May and a 6.2% rise in April. The government's figures are not adjusted for seasonal trading-day differences or for inflation, which eased in May to 3.8% after a steady 3.9% rate since January, according to the government.

DiBiase said his firm's surveys indicated that major chains were widening their leads over smaller chains.

He suggested that the big chains' advertising power was overwhelming smaller chains. Burger chains, he said, have been outperforming all other concepts in recent months.



Bombay Palace hits D.C., opens 8th unit

By Marilyn Alva

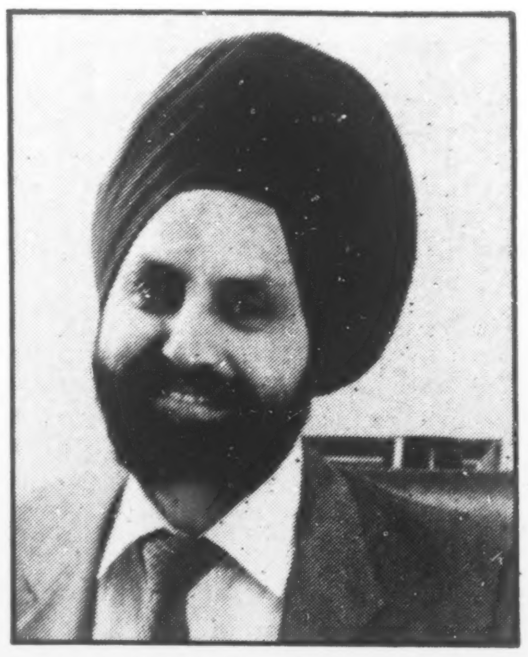
Interest in India is sweeping the country on a grass roots level as cities throughout the United States celebrate a "Festival of India" this year, and no one Indian business is more in the limelight than Sant S. Chatwal's Bombay Palace restaurants, fast becoming a worldwide empire in its own right.

With the opening this month of the eighth Bombay Palace, in Washington, D.C., (another Indian restaurant in Montreal goes by a different name), Chatwal's staff remarks that Bombay Palace is the largest single-owned Indian restaurant chain in the world, a feat 39-year-old Chatwal accomplished within the last 10 years.

Earlier in the year all of Hollywood seemed to have turned out for Bombay Palace's arrival in Beverly Hills, where the opening night crowd included Joan Collins, Cheryl Tiegs, Susan George and Los Angeles Mayor Tom Bradley.

"Ambitious, I am," said Chatwal during a recent interview in his Manhattan headquarters offices. "I would like to take Indian cuisine to the world."

He intends to do just that.



Sant S. Chatwal

From Washington, Chatwal plans to move on to a Paris opening (mid-1986) followed by others in New Delhi, Bombay (for sentimental reasons), Singapore, Peking and Hong Kong. He has just hired a Far

*(See **BOMBAY**, page 13)*

Food vendors score at '85 All-Star Game

MINNEAPOLIS — Bleacher-seated fans devoured more than $270,000 in grilled sausages, hand-dipped ice cream, beer and soft drinks while they watched the 56th annual All-Star Game at the Hubert H. Humphrey Metrodome here July 16. Private-suite caterers also enjoyed record munching on the part of patrons.

Officials of Interstate United, a contract concessionaire at the Metrodome, reported $274,000 in sales during the event, which attracted 53,911, the largest crowd that ever watched a baseball game in Minnesota. Typical game sales and attendance at the Metrodome are $76,400 and 23,000 respectively, they said.

Michael Goldman, president of the Minnesota Vikings Foodservice Inc., which provides food to the stadium's 155 private suites, declined to reveal sales figures but did say the All-Star Game was "by far" the biggest event his group has catered in the four years the Metrodome has been open.

A spokesman for the contract feeder said no special menu items or strategies were used for the game, "but we did do a lot of planning . . . beefed up everything."

Arby's TV advertising pushes 'nutrition' in roast beef

By Mark Schoifet

ATLANTA — Arby's, which has introduced and tested a spate of new products over the past two years, is moving back to basics with a television advertising campaign that focuses strictly on the "nutritional value" of its signature roast beef sandwich.

"We want to ensure we haven't lost anything in the diffusion," said Robert McDowell, chief operating officer of the 1,440-unit fast feeder.

The campaign, dubbed "Go for the Lean," broke nationally on July 8 and will run through the end of the year and "well into 1986," McDowell said. It replaces the two-year-old "Welcome to Arby's" campaign.

"The advertising is really trying to say two things," McDowell explained. "No. 1, that roast beef is a contemporary food product. And No. 2, that Arby's roast beef is lean and really the standard of leanness in the entire red-meat category."

Roast beef, which accounts for 75% of entrée sales at Arby's, contains half the fat and cholesterol of a typical hamburger, McDowell said. "I think in the past few years red meat has taken perhaps more than it deserves on the chin," he added.

McDowell said Arby's would slow its rate of new-product introductions and "stay relatively single-minded" for at least the next six months.

The "Go for the Lean" campaign features two 30-second spots produced by Grey Advertising in New York. The commercials will run nationally and will be available for spot use by the chain's 1,258 licensees.

The "awareness" spot uses a mime, a woman in a bathing suit, a motorcyclist and two Little Leaguers to illustrate Arby's point that roast beef complements an active lifestyle. The second spot focuses only on the chain's "super" roast beef sandwich.

Arby's serves what it calls "restructured" roast beef, which is beef with a small amount of water, salt and food phosphate added to enhance flavoring.

Over the last two years, Arby's has introduced croissant breakfast, stuffed baked potatoes and chicken and fish sandwiches and salad bars. It has also tested a rotisserie-roasted skinless chicken breast.

In other news, Leonard Roberts, former chief operating officer of Ralston Purina's food-service division, has begun his stint as president and chief executive of Arby's.

D. J. Glazer, group executive vice president for Royal Crown, Arby's parent company, said Roberts "comes to Arby's with a wealth of general management and marketing experience from his 11-year career at Ralston Purina.

"Leonard's track record, his leadership qualities and his business acumen will be both exciting and valuable assets toward Arby's current and future growth plans."

Roberts received his undergraduate degree from the University of Illinois and a law degree from De Paul University. Since joining Ralston Purina in 1974, he served in a variety of marketing and general management positions.

West Coast show dates

The Western Restaurant Convention & Exposition sponsored by the California Restaurant Association runs Aug. 10-13 at the Los Angeles Convention Center. A recent Calendar listing had the wrong dates.

COMMODITIES

Seafood market loosens; Maine lobsters priced low

***NRN* Special Report**

The destruction of pesticide-contaminated California watermelons early this month had greater effect upon the market than the situation warranted. Although about 100 fields in Kern County were affected and watermelons were destroyed, the public's confidence in the melon's safety was damaged. The immediate reaction of the market was for a price rise, and then the melons from safe areas of the state and output of Southern states started to back up, and watermelon prices dropped. Quick action in putting "safe" labels on California melons turned the tide, with prices starting to even out again.

There is some good news in the generally tight seafood market for operators. Maine lobster fishermen are having one of their best years in the past six to seven, and the price has fallen. Brazilian lobster tails are coming into this country in good supply, with prices dropping after the spring conservation period in that country. Frozen scallops are available in good supply from domestic sources, Canada and Iceland, with prices lower. Gulf brown shrimp are in good supply, particularly in the smaller counts, with prices down.

Although most fish prices are still at elevated levels and the harvest of king and snow crab is still small, the drop in prices of some of the other popular seafoods looks as if it will hold into fall.

Many of the more popular fish and shellfish show a cyclical growth pattern. Dungeness crab in the West Coast, for example, has a six-year cycle and is at lowered supply levels this year. On the other hand, Maine lobsters are being lured into the traps in numbers that set a record compared with catches of the past few years. Prices have fallen at dockside to $1.80 a pound for the first time in nearly a decade.

A tightening of Brazilian lobster tail supplies was felt as a result of the conservation period this spring, when that country's fishermen were banned from harvesting the crustaceans. However, most importers stocked up in anticipation of the slowdown in shipments, so prices did not soar. Good supplies have been available lately, with the price down 30¢ to 40¢ a pound on 5-oz. tails.

Scallop harvest for domestic fishermen has been better this year, and that, combined with increased imports from Canada and Iceland, has pushed down the price of 30/40 count scallops to about 60¢ less than it was last year, and about 20¢ to 30¢ lower than it was last month.

In the Gulf of Mexico boats are bringing back a bumper catch of brown shrimp, although large sizes are still scarce. Most is going to the frozen packers, although the fresh market and canners are beginning to get adequate supplies. Most plentiful have been the smaller sizes, although the popular 16/20 count in frozen shrimp has dropped about 15% from what is was last month and about $1.35 from what it was last year.

Frozen block and slab cod (from which portions are made) is still in short supply, with holdings in June down 24% from the supply last year. However, lackluster demand has let prices slide about 2¢ to 3¢ a pound, and the price of frozen portions has remained constant for the past several months. Prices for fillets of popular species are firm. Demand for upscale fillets seems to be stronger than for the standard portions. Increased production has held a ceiling on prices with cod fillet freezings up nearly one and a third times in the first six months of the year over what they were in the first half of 1984.

Canned salmon inventories are the highest since 1982, but the prices are holding at steady levels, although some packer discounts from lists of up to $2 per case on last year's pack have been reported.

PRICE MOVEMENT AT A GLANCE

	July 17 1984	June 17 1985	July 17 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.03	$0.89	$0.84
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.5646	$0.5703	$0.5560
Coffee, green beans, Brazilian, NYC (lb.)	$1.45	$1.40	$1.33
Eggs, Grade A large white, Chicago (doz.)	$0.69	$0.64-$0.67	$0.56-$0.59
Lobster tails, frozen, Brazil, 5-oz., NYC (lb.)	$10.20	$9.80	$9.50
Pepper, black, imported, NYC (lb.)	$0.97	$1.96	$1.94
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$1.17	$0.90	$1.11
Scallops, frozen, Canadian, 30/40 ct., Boston (lb.)	$5.40-$5.60	$5.00-$5.35	$4.80-$5.00
Shrimp, Gulf brown, 16/20 ct. (lb.)	$7.20	$6.00	$5.85

Source: *NRN* Research

NRN Index, Dow hit new records; gainers top losers

NEW YORK — In a record-breaking week of activity in the overall stock market, the *Nation's Restaurant News* Food-Service Operators Index climbed to a new record, closing July 19 at 134.7, a 2.4-point weekly gain.

The Dow Jones Industrial Average closed at a record 1,359.54, a gain of 20.94 points in the week. Investors were encouraged when the Federal Reserve Board indicated it would adopt a more liberal policy on the growth of the money supply, which is a stimulus to economic growth.

On *NRN*'s full, 116-issue list of food-service and related companies, 59 stocks advanced in price and 37 declined, with 20 unchanged. But 62 stocks traded at lower volume than their previous 12-week averages, while just 53 traded higher. One was unchanged.

Diversifoods had the lowest relative volume in the week. Just 11,800 shares changed hands, or 99.3% less than its average. The reason was that Pillsbury has purchased almost all of Diversifoods' shares in a $360 million merger.

Leading the list of price-change losers was 1 Potato 2, which dropped 25¢, to 63¢, a 52-week low.

Issues that closed at new 52-week highs included Luby's, up $1.75, to $36.88; Ogden Corp., up $3.50, to $33.88; Bob Evans Farms, up 75¢, to $23.50; Servico, up 25¢, to $23.50; and Restaurant Systems, a Wendy's franchisee, up $1, to $16.50.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Old Fashion Fd M	325.9	Intl King Tab M	187.4
Cracker Barrel M	268.8	Cucos Inc O	183.3
Primo Inc O	220.2	Chi-Chi's M	111.3
Assoc Hosts M	201.9	Ogden Corp N	103.3
Taco Villa O	200.0	TGI Friday's N	96.0

TOP TEN GAINERS

(Weekly Price Change, in %)

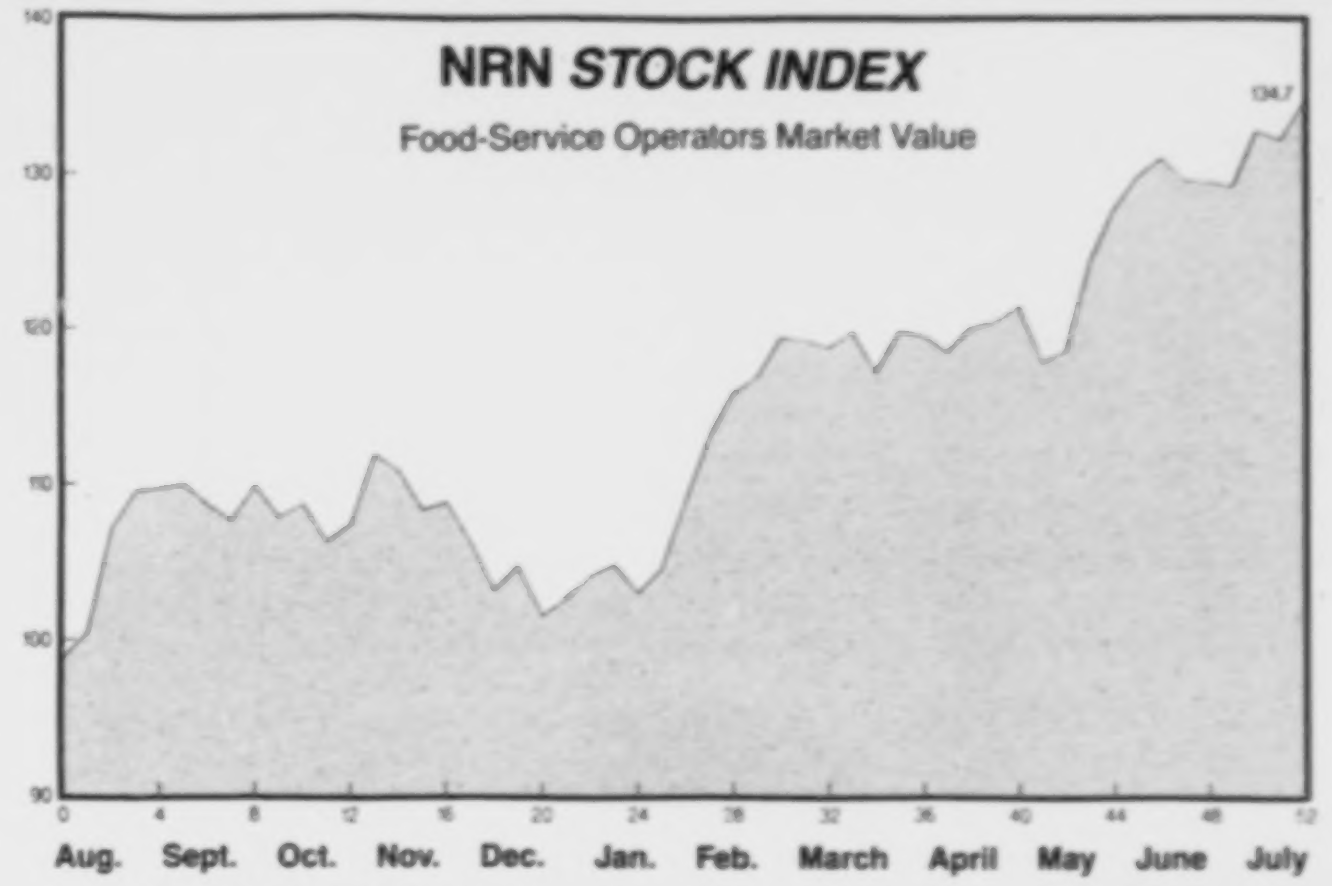
Primo Inc O	50.0	Ryan's Fam M	13.6
Nankin Express O	33.3	RAX Restaurants M	12.5
Stuf Yer Face O	25.0	Swensens Inc O	11.8
USACafes M	14.3	Ogden Corp N	11.5
Flakey Jakes M	14.0	Old Fashion Fd M	11.1

TOP TEN LOSERS

(Weekly Price Change, in %)

1 Potato 2 O	-28.6	Taco Viva M	-8.2
Good Taco O	-20.0	Wstn Steer M	-6.5
Kelly-Johnston O	-16.7	Hungry Tiger M	-6.5
Shoney's South M	-12.1	Lifestyle Rest A	-6.3
Sea Galley M	-9.1	Kapok Cp A	-5.9

	Stock Market											Financial Update																	
	Price							Volume					Indicated Div. Rate		Latest Report			Latest Quarter						Year-to-Date					
	7-19-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	6.75	.00	.0	7.00	6.50	7.13	3.50	153	.43	.51	-15.7	20.5	.00	.0	—	3 mos.	03-85	7.9	23.4	.3	.0	.08	14.3	7.9	23.4	.3	.0	.08	14.3
Acapulco Rests M	4.50	.38	9.1	4.63	4.25	5.38	3.50	118	.48	.34	41.2	34.6	.00	.0	—	6 mos.	04-85	10.4	1055.6	.1	-80.0	.04	-80.0	19.9	114.0	.0	-100.0	.01	-92.3
Am Restaurants O	3.75	.00	.0	4.00	3.75	5.75	2.38	59	.26	.24	8.3	75.0	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	-100.0	(.01)	-100.0	4.7	4.4	.0	-100.0	(.01)	-100.0
Assoc Hosts M	13.50	1.13	9.1	13.63	12.25	17.13	10.75	3,459	7.82	2.59	201.9	18.2	.12	.9	—	6 mos.	03-85	22.9	-5.8	.7	-36.4	.16	-36.0	45.4	-3.6	1.4	-26.3	.32	-25.6
Benihana Nat'l M	20.50	.13	.6	21.00	20.38	21.75	10.88	1,615	5.55	5.61	-1.1	19.2	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	23.50	.75	3.3	23.50	22.50	23.50	16.25	2,164	1.33	.69	92.8	21.2	.30	1.3	—	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp M	2.38	-.13	-5.0	2.50	2.38	5.13	.63	86	.28	.56	-50.0	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.80)	NE
Calny Food O	13.50	.00	.0	13.75	13.13	13.63	8.13	955	2.11	1.97	7.1	19.9	.16	1.2	—	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab M	1.63	-.06	-3.7	1.75	1.50	2.88	1.31	1,735	1.13	1.10	2.7	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	8.38	-.13	-1.5	8.75	8.38	11.50	7.88	465	.60	.70	-14.3	11.3	.07	.8	—	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chefs Intl O	.69	.00	.0	0.75	0.69	1.06	.38	564	.29	.46	-37.0	NE	.00	.0	—	3 mos.	04-85	5.3	-11.7	.0	NE	.00	NE	5.3	-11.7	.0	NE	.00	NE
Chi-Chi's M	13.13	-.13	-.9	14.38	12.88	18.00	9.38	23,658	8.77	4.15	111.3	22.6	.00	.0		fiscal	04-85	56.5	38.5	3.5	-18.6	.13	-27.8	205.7	30.2	15.6	-6.6	.58	-12.1
Chili's Inc M	28.38	.13	.4	28.75	27.75	28.88	15.00	669	1.44	1.81	-20.4	36.9	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch N	18.38	.25	1.4	18.75	18.13	20.25	12.75	6,261	1.66	1.76	-5.7	15.7	.44	2.4		6 mos.	06-85	139.4	13.5	11.2	1.8	.30	3.4	255.7	12.5	19.1	7.9	.51	8.5
Collins Foods N	24.63	.50	2.1	24.75	24.13	24.88	11.75	1,248	.95	.95	.0	17.8	.16	.6	—	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev M	11.75	-.25	-2.1	12.50	11.50	16.75	5.75	467	.90	4.65	-80.6	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	-100.0	(.23)	-100.0	30.2	9.4	(1.2)	-100.0	(.23)	-100.0
Consol Prdts M	4.25	-.06	-1.4	4.38	4.00	5.88	4.00	172	.52	.40	30.0	12.9	.08	1.9		6 mos.	03-85	18.6	-4.6	.0	NC	(.02)	NC	33.8	-3.4	.3	-25.0	.08	-20.0
Consul Restaurant M	4.38	-.13	-2.8	4.50	4.13	9.75	3.38	1,081	2.38	2.62	-9.2	NE	.00	.0	—	9 mos.	02-85	21.0	32.1	(3.3)	-100.0	(.72)	-100.0	63.0	32.6	(3.7)	-100.0	(.82)	-100.0
Cracker Barrel M	14.25	1.25	9.6	14.25	13.00	23.50	11.75	2,444	6.86	1.86	268.8	19.8	.14	1.0	—	9 mos.	04-85	16.0	16.8	.3	-40.0	.07	-61.1	46.8	18.2	.9	-35.7	.26	-50.0
Cucos Inc O	4.75	.00	.0	5.25	4.75	5.75	2.75	118	.68	.24	183.3	33.9	.00	.0	—	9 mos.	03-85	1.6	100.0	.1	.0	.04	33.3	4.8	108.7	.2	.0	.11	10.0
Diversifoods M	11.25	.13	1.1	11.38	11.13	14.63	8.00	118	.04	5.63	-99.3	27.4	.34	3.0	—	3 mos.	03-85	128.2	2.0	1.3	-76.8	.04	-76.5	128.2	2.0	1.3	-76.8	.04	-76.5
DLites Of Amer M	10.25	.00	.0	10.63	9.88	15.50	9.00	1,189	2.34	3.26	-28.2	78.8	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts M	25.00	.25	1.0	25.38	24.50	25.38	14.69	1,197	1.67	2.11	-20.9	18.5	.24	1.0	—	6 mos.	04-85	.7	-96.8	2.8	16.7	.38	15.2	24.7	-41.3	5.4	14.9	.74	15.6
El Chico M	12.13	-.13	-1.0	12.25	11.50	12.50	7.25	1,141	2.45	2.14	14.5	15.5	.00	.0	—	9 mos.	02-85	20.6	6.7	.9	.0	.19	-5.0	61.8	7.1	2.7	.0	.58	-3.3
El Pollo Asa O	5.63	.13	2.3	5.75	5.50	6.34	1.84	710	2.81	3.42	-17.8	NE	.00	.0	—	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest N	17.50	.38	2.2	17.63	16.88	19.25	10.50	979	.88	1.00	-12.0	17.2	.00	.0	—	3 mos.	03-85	65.4	11.8	2.2	37.5	.19	35.7	65.4	11.8	2.2	37.5	.19	35.7
Fast Food Oper O	.94	.00	.0	1.06	0.94	1.63	.63	493	.83	.53	56.6	31.3	.00	.0	—	fiscal	12-84	2.0	25.0	.0	-100.0	.00	-100.0	8.0	31.1	.2	-33.3	.03	-50.0
Flakey Jakes M	6.13	.75	14.0	6.25	5.25	8.50	4.88	1,939	2.80	2.02	38.6	NE	.00	.0	—	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest O	2.25	.00	.0	3.25	2.25	7.38	2.25	1	.01	.34	-97.1	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	-100.0	1.7	88.9	(.3)	NC	(.18)	-100.0
Fresher Cooker O	.38	.00	.0	0.63	0.38	6.63	.25	117	.52	.97	-46.4	NE	.00	.0	—	3 mos.	03-85	.7	-22.2	(.2)	NE	(.15)	NE	.7	-22.2	(.2)	NE	(.15)	NE
Frisch's A	25.00	-.50	-2.0	25.25	24.63	26.00	14.50	38	.09	.22	-59.1	21.2	.22	.9	—	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc M	8.50	.38	4.6	8.75	8.13	15.13	6.00	2,681	4.12	4.19	-1.7	NM	.00	.0		3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot M	2.56	.13	5.1	2.56	2.38	4.88	1.63	1,925	3.21	1.74	84.5	NE	.00	.0	—	3 mos.	03-85	16.3	-4.7	.4	NE	.07	NE	16.3	-4.7	.4	NE	.07	NE
Good Taco O	.50	-.13	-20.0	0.63	0.50	3.13	.25	639	2.15	1.41	52.5	NE	.00	.0	—	fiscal	02-85	.1	-75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	14.25	.00	.0	14.75	14.25	15.25	10.50	26	.36	.42	-14.3	7.7	.00	.0	—	9 mos.	12-84	9.4	6.8	.3	.0	.39	-11.4	28.7	9.5	1.1	83.3	1.56	81.4
Hungry Tiger M	4.50	-.31	-6.5	4.88	4.50	6.50	3.63	477	1.66	1.23	35.0	NE	.00	.0	—	6 mos.	02-85	14.5	-8.8	(.4)	-100.0	(.12)	-100.0	28.9	-6.8	(.5)	-100.0	(.16)	-100.0
Intl Dairy Queen O	56.00	1.50	2.8	58.50	54.50	56.00	39.00	28	.14	.11	27.3	13.7	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	-90.5	1.54	40.0	75.6	15.1	3.9	-88.3	1.92	35.2
Intl King Tab M	19.50	1.00	5.4	19.50	18.00	24.75	13.41	1,709	5.95	2.07	187.4	13.9	.00a	.0	—	9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest M	14.25	-.13	-.9	15.00	14.25	15.50	7.91	1,221	3.49	5.51	-36.7	62.0	.16	1.1		6 mos.	03-85	18.0	35.3	.3	.0	.07	-22.2	36.7	38.5	.9	.0	.24	-4.0
Jerrico Inc M	21.13	.25	1.2	21.63	20.88	21.63	14.13	4,038	2.56	3.05	-16.1	15.5	.12	.6	—	9 mos.	03-85	122.3	.2	4.3	-4.4	.27	-6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp A	4.00	-.25	-5.9	4.25	4.00	4.38	1.13	496	2.03	1.92	5.7	4.3	.00	.0		6 mos.	03-85	5.6	-12.5	(.1)	NE	(.06)	NE	10.8	-.9	3.8	NE	1.61	NE
Karcher Carl M	16.75	.38	2.3	16.88	16.38	29.63	13.50	1,447	2.04	2.23	-8.5	10.2	.00	.0		fiscal	01-85	75.3	8.2	1.4	-33.3	.20	-28.6	331.4	14.4	11.6	.9	1.64	1.2
Kelly-Johnston O	.31	-.06	-16.7	0.44	0.31	5.00	.25	809	.95	1.84	-48.4	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	-100.0	.44	193.3	60.3	93.9	(13.5)	-100.0	.00	-100.0
Lifestyle Rest A	1.88	-.13	-6.3	2.00	1.88	3.50	1.75	360	.63	.42	50.0	NE	.00	.0	—	6 mos.	04-85	24.6	-12.1	(1.7)	NE	(.29)	NE	41.7	-11.7	(4.2)	NE	(.73)	NE
Luby's Cafe N	36.88	1.75	5.0	36.88	35.00	36.88	24.00	617	.51	.66	-22.7	23.8	.60	1.6	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	18.88	.00	.0	19.13	18.75	19.13	12.25	81	.16	.59	-72.9	12.3	.30	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	97.63	1.38	1.4	99.00	96.00	99.00	64.88	1,168	.45	.58	-22.4	17.1	.54	.6	—	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	3.13	.00	.0	3.13	2.75	6.25	2.25	18	.04	.25	-84.0	NM	.00	.0		3 mos.	04-85	3.1	29.2	.0	-100.0	.00	-100.0	3.1	29.2	.0	-100.0	.00	-100.0
Max & Erma's O	2.75	-.13	-4.3	3.25	2.75	4.75	2.50	10	.06	.23	-73.9	NE	.00	.0	—	6 mos.	04-85	3.8	-13.6	.0	NE	.02	NE	8.6	-2.3	.1	NE	.05	NE
McDonald's Cp N	68.63	1.25	1.9	68.75	67.25	70.00	45.19	9,006	1.05	1.04	1.0	15.3	.90	1.3		3 mos.	03-85	808.6	8.5	84.3	12.4	.96	12.9	808.6	8.5	84.3	12.4	.96	12.9
McFaddin Ventures M	11.00	.25	2.3	11.00	10.63	12.25	9.63	351	.72	.80	-10.0	16.2	.00	.0	—	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc M	21.25	-.13	-.6	21.25	20.75	21.38	15.50	2,334	1.76	1.53	15.0	13.9	.48	2.3	—	fiscal	05-85	126.0	-1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak O	2.00	-.13	-5.9	2.25	2.00	3.13	1.13	489	.98	.94	4.3	NE	.00	.0	—	6 mos.	03-85	.9	-94.8	(.2)	NC	(.05)	NC	14.8	-54.7	(.1)	NC	(.03)	-100.0
Nankin Express O	1.00	.25	33.3	1.38	0.75	2.38	.63	388	1.72	.92	87.0	NE	.00	.0	—	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans M	3.63	.00	.0	3.63	3.38	4.50	2.00	100	.45	.43	4.7	11.3	.00a	.0	—	fiscal	03-85	5.5	34.1	(.2)	NE	(.07)	NE	22.7	13.5	.7	75.0	.32	68.4
Nat'l Pizza M	11.88	-.38	-3.1	12.00	11.50	12.25	7.50	227	.41	1.02	-59.8	17.0	.00	.0		fiscal	03-85	10.1	74.1	.8	166.7	.14	-36.4	40.5	35.0	3.6	33.3	.79	4.5
Naugles Inc M	5.13	.38	7.9	5.13	4.75	10.13	4.50	1,088	2.40	1.76	36.4	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	7.75	-.38	-4.6	8.25	7.75	8.50	5.94	88	.73	.49	49.0	45.6	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	-100.0	4.7	4.4	(.1)	NC	(.11)	-100.0
1 Potato 2 O	.63	-.25	-28.6	0.88	0.63	7.75	.63	195	.89	.55	61.8	NE	.00	.0	—	fiscal	01-85	4.4	NC	(4.5)	NC	(2.08)	NC	15.4	NC	(6.0)	NC	(2.77)	-100.0
Old Fashion Fd M	5.00	.50	11.1	5.00	4.25	5.50	4.00	322	2.30	.54	325.9	10.6	.00	.0	—	9 mos.	02-85	3.5	20.7	.2	.0	.10	-28.6	10.3	30.4	.5	-16.7	.34	-22.7
Pancho Mex Buffet M	8.25	.13	1.5	8.25	8.13	8.38	6.00	1,431	3.85	3.31	16.3	15.0	.13	1.6	—	6 mos.	03-85	8.5	11.8	.4	.0	.11	-8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants M	.13	.00	.0	0.19	0.13	1.88	.13	1,060	1.23	2.25	-45.3	NE	.00	.0	—	6 mos.	12-84	5.5	-69.6	(17.1)	NE	(1.97)	NE	13.8	-54.0	(20.4)	-100.0	(2.38)	-100.0
Piccadilly Caf M	22.88	.38	1.7	22.88	22.50	24.25	16.50	240	.40	.69	-42.0	14.5	.80	2.6	—	9 mos.	03-85	44.0	2.6	1.3	-40.9	.21	-41.7	138.8	8.1	7.0	18.6	1.16	18.4

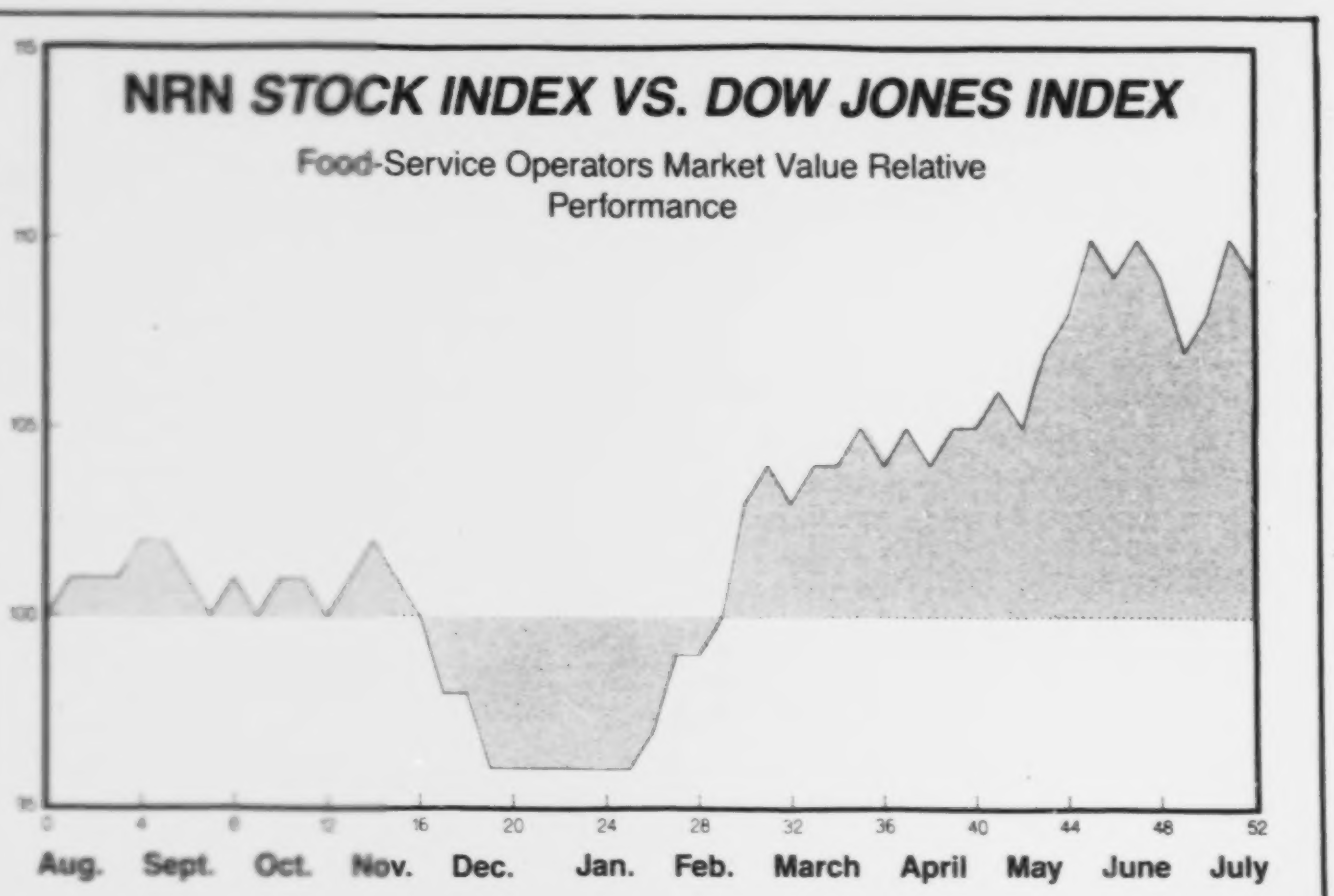


NRN STOCK INDEX

Food-Service Operators Market Value

Source: Media General Financial Services

Oct. 28, 1983 = 100



NRN STOCK INDEX VS. DOW JONES INDEX

Food-Service Operators Market Value Relative Performance

Company and Market	Stock Market														Financial Update														
	Price							Volume										Latest Quarter						Year-to-Date					
	7-19-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	- -	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.88	.75	9.2	8.88	8.00	12.75	6.88	160	.53	.91	-41.8	29.6	.08	.9	—	3 mos.	03-85	47.7	24.2	.1	-87.5	.04	-84.6	47.7	24.2	.1	-87.5	.04	-84.6
Po-Folks M	13.00	.00	.0	13.00	12.63	16.63	8.75	792	1.79	.94	90.4	18.6	.00	.0	—	6 mos.	03-85	30.2	30.2	.2	.0	.03	-40.0	60.5	30.1	.8	-20.0	.18	-21.7
Ponderosa Sys N	12.25	-.25	-2.0	12.50	11.88	21.50	10.75	2,086	2.17	2.41	-10.0	27.2	.40	3.3	—	3 mos.	05-85	117.2	-1.3	.8	-82.2	.08	-85.5	117.2	-1.3	.8	-82.2	.08	-85.5
Primo Inc O	2.25	.75	50.0	2.50	1.50	4.63	1.50	909	2.69	.84	220.2	NE	.00	.0	—	6 mos.	03-85	.8	-20.0	.1	.0	.03	.0	1.8	-10.0	.2	.0	.07	16.7
RAX Restaurants M	9.00	1.00	12.5	9.00	8.00	16.38	7.50	371	.54	.71	-23.9	34.6	.00	.0		9 mos.	04-85	27.2	24.8	(.4)	-100.0	(.06)	-100.0	81.4	23.3	(.1)	-100.0	(.01)	-100.0
Rest Assoc A	8.00	-.25	-3.0	8.38	8.00	8.88	5.38	48	.17	.52	-67.3	18.6	.00	.0	—	3 mos.	03-85	33.2	10.7	(.3)	NC	(.12)	NC	33.2	10.7	(.3)	NC	(.12)	NC
Rest Mgmt M	19.75	.25	1.3	20.00	19.25	20.00	9.00	190	1.19	1.88	-36.7	20.8	.09	.5		6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems M	16.50	1.00	6.5	16.50	15.50	16.50	11.75	130	.56	.87	-35.6	18.1	.00	.0	—	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D M	2.25	.00	.0	2.25	2.00	6.25	1.75	779	1.50	.86	74.4	NE	.00	.0	—	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican O	16.63	-.25	-1.5	16.88	16.63	18.25	11.00	121	.43	.56	-23.2	22.5	.00	.0	—	9 mos.	04-85	13.0	39.8	.6	20.0	.24	-4.0	34.5	40.2	1.1	.0	.42	-20.8
Ryan's Fam M	18.75	2.25	13.6	19.25	16.50	19.25	11.34	1,693	2.44	1.56	56.4	30.7	.00	.0		6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp N	27.88	.75	2.8	28.50	26.88	35.50	24.50	2,095	1.60	1.33	20.3	11.2	.52	1.9	—	9 mos.	03-85	327.3	15.2	7.6	-7.3	.57	-8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef M	8.63	.25	3.0	8.75	8.25	9.00	6.75	17	.13	.70	-81.4	15.1	.00	.0	—	9 mos.	03-85	7.2	9.1	.2	.0	.13	-23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	7.50	-.75	-9.1	8.25	7.50	9.50	6.50	847	2.32	2.31	.4	3.5	.00	.0	—	3 mos.	03-85	14.6	-8.8	2.0	42.9	.57	58.3	14.6	-8.8	2.0	42.9	.57	58.3
Shoney's Inc M	30.13	.88	3.0	30.13	28.88	31.88	19.88	2,980	1.05	1.08	-2.8	25.3	.15	.5	—	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South M	10.88	-1.50	-12.1	12.25	10.75	16.59	10.88	641	1.14	1.24	-8.1	10.3	.00	.0	—	3 mos.	03-85	50.3	8.2	.9	-52.6	.15	-55.9	50.3	8.2	.9	-52.6	.15	-55.9
SIS Cp M	5.00	.25	5.3	5.00	4.00	6.25	3.25	47	.30	.29	3.4	NE	.00	.0	—	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	17.25	1.25	7.8	17.50	15.50	17.25	8.09	1,617	1.58	1.08	46.3	17.8	.00	.0	—	fiscal	04-85	42.6	13.0	2.9	16.0	.28	16.7	159.5	11.9	9.9	23.8	.97	24.4
Skippers M	9.38	-.38	-3.8	9.88	9.38	12.50	8.00	530	1.94	1.30	49.2	10.2	.06	.6		6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	-2.4
So Hospitality M	4.50	-.25	-5.3	4.75	4.38	5.88	4.00	883	1.77	2.27	-22.0	12.9	.00	.0		fiscal	05-85	9.4	-6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face O	.78	.16	25.0	0.88	0.66	1.44	.50	868	.57	.47	21.3	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	-100.0	(.04)	-100.0
Swensens Inc O	2.38	.25	11.8	2.75	2.13	3.50	1.50	107	.33	.43	-23.3	NE	.00	.0	—	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	5.75	.00	.0	6.25	5.75	7.75	4.75	187	.48	.16	200.0	19.8	.00	.0	—	3 mos.	03-85	8.8	22.2	.3	.0	.07	-12.5	8.8	22.2	.3	.0	.07	-12.5
Taco Viva M	5.63	-.50	-8.2	5.88	5.63	7.50	4.84	321	.94	1.39	-32.4	16.5	.00	.0	—	9 mos.	02-85	5.5	-6.8	.3	-25.0	.10	-9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	10.50	.25	2.4	10.88	10.13	12.38	7.88	1,708	1.47	.75	96.0	15.7	.00	.0	—	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.00	.00	.0	2.50	2.00	2.50	2.00	17	.11	.09	22.2	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY M	21.00	-.13	-.6	21.25	20.00	21.50	1.84	1,118	2.57	3.93	-34.6	87.5	.00	.0	—	3 mos.	02-85	2.0	185.7	.2	NC	.04	300.0	2.0	185.7	.2	NC	.04	300.0
Transworld N	40.63	.88	2.2	41.13	39.63	41.13	25.13	5,605	1.57	1.87	-16.0	13.2	.48	1.2	—	3 mos.	03-85	479.8	3.5	16.2	-16.1	.40	-14.9	479.8	3.5	16.2	-16.1	.40	-14.9
USACafes M	6.00	.75	14.3	6.25	5.13	6.00	2.75	1,801	2.87	2.22	29.3	17.1	.28	4.7	—	6 mos.	03-85	4.8	.0	.8	.0	.09	-35.7	9.4	17.5	1.2	9.1	.16	-15.8
Vicorp Restaurants M	25.38	1.00	4.1	25.38	23.75	28.25	13.25	3,816	4.54	5.50	-17.5	21.1	.12	.5	—	6 mos.	04-85	85.8	61.0	1.4	-30.0	.17	-43.3	192.5	121.3	2.8	-9.7	.34	-26.1
Victoria Stations M	3.13	.13	4.2	3.13	2.88	6.88	2.13	523	1.47	2.75	-46.5	NE	.00	.0	—	9 mos.	12-84	27.6	-8.0	(1.2)	NE	(.35)	NE	73.5	-5.3	(3.7)	NE	(1.05)	NE
Wendys Intl N	18.38	.88	5.0	18.50	17.25	19.13	12.19	13,702	1.87	1.48	26.4	19.1	.21	1.1	—	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wtn Steer M	10.75	-.75	-6.5	11.50	10.50	11.75	9.00	70	.58	.31	87.1	17.6	.20	1.9	—	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp N	6.38	.13	2.0	6.50	6.13	13.38	5.13	243	.54	.76	-28.9	45.5	.00	.0	—	3 mos.	03-85	24.0	-1.2	(.6)	-100.0	(.16)	-100.0	24.0	-1.2	(.6)	-100.0	(.16)	-100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.63	-.13	-4.5	2.75	2.63	5.63	1.88	644	.49	1.11	-55.9	NE	.10	3.8	—	3 mos.	03-85	66.8	-8.6	13.9	2680.0	.98	2350.0	66.8	-8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	66.50	1.13	1.7	68.88	65.13	73.50	45.50	2,831	1.14	1.23	-7.3	14.6	1.80	2.7	—	3 mos.	03-85	168.2	2.6	23.5	23.0	.94	32.4	168.2	2.6	23.5	23.0	.94	32.4
Holiday Inns N	55.00	.88	1.6	56.88	53.63	57.63	35.25	2,815	.98	1.28	-23.4	13.8	1.00	1.8	—	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn N	31.25	.75	2.5	31.75	30.13	33.63	13.69	1,321	.68	.84	-19.0	27.7	.09	.3	—	9 mos.	03-85	61.9	245.8	6.0	46.3	.31	47.6	177.6	252.4	17.3	36.2	.89	34.8
Ramada Inns N	7.25	-.13	-1.7	7.63	7.13	8.25	5.13	7,184	1.93	1.81	6.6	90.6	.00	.0	—	3 mos.	03-85	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0
Servico Inc M	23.50	.25	1.1	23.50	22.75	23.50	14.78	174	.50	.72	-30.6	14.9	.00a	.0	—	3 mos.	03-85	42.0	-2.1	.1	-88.9	.04	-84.6	42.0	-2.1	.1	-88.9	.04	-84.6
Sonesta Intl M	23.00	.50	2.2	23.00	22.50	27.00	18.50	9	.06	.07	-14.3	7.7	.40	1.7	—	3 mos.	03-85	12.0	-13.7	(2.1)	NE	(1.85)	NE	12.0	-13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev M	20.75	1.50	7.8	21.25	19.25	22.63	15.13	896	1.49	2.24	-33.5	20.5	.40	1.9		9 mos.	12-84	NC	NC	(2.3)	-100.0	(.37)	-100.0	368.4	35.4	4.7	-48.9	.75	-49.3
Ch Full O Nut N	8.88	.88	10.9	8.88	8.00	11.41	7.03	498	1.02	.94	59.4	NM	.00a	.0	—	9 mos.	04-85	29.9	4.2	.1	-66.7	.02	-66.7	87.1	.2	.4	-60.0	.09	-57.1
Disney, Walt N	90.00	2.25	2.6	90.50	87.13	95.00	51.75	6,945	2.10	1.88	11.7	62.5	1.20	1.3	—	6 mos.	03-85	451.5	8.6	35.0	11.8	1.04	26.8	878.0	20.9	67.2	66.7	1.99	71.6
Arden Intl O	2.00	-.13	-5.9	2.13	2.00	2.75	1.13	89	.38	.56	-32.1	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills N	60.00	-.50	-.8	60.88	59.13	64.00	47.75	6,072	1.37	1.80	-23.9	35.5	2.24	3.7	—	9 mos.	02-85	354.8	-73.6	(74.1)	-100.0	(1.64)	-100.0	3300.6	-22.2	35.6	-81.5	.79	-80.6
Grace W R N	41.75	.50	1.2	42.25	40.63	44.50	38.50	2,677	.55	.84	-34.5	12.1	2.80	6.7		6 mos.	06-85	1908.8	9.6	41.4	-28.0	.83	-29.7	3488.8	7.7	76.9	-25.6	1.55	-26.9
Horn & Hardart A	9.00	.00	.0	9.25	8.50	15.59	8.38	1,912	1.55	1.40	10.7	17.3	.00a	.0	—	3 mos.	03-85	82.3	-4.7	.0	-100.0	(.01)	-100.0	82.3	-4.7	.0	-100.0	(.01)	-100.0
Ogden Corp N	33.88	3.50	11.5	33.88	30.25	33.88	24.13	3,514	1.85	.91	103.3	16.4	1.80	5.3	—	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc N	59.63	-.13	-.2	60.50	57.75	60.50	39.88	20,607	2.15	1.87	15.0	15.6	1.78	3.0	—	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co N	54.88	2.00	3.8	54.88	52.88	56.63	36.00	5,555	1.29	.82	56.1	13.0	1.56	2.8	—	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	-17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec O	3.50	.00	.0	4.00	3.50	4.50	3.50	5	.03	.09	-66.7	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	-100.0	1.1	57.1	(.1)	NC	(.03)	-100.0
Vie de France M	10.25	-.50	-4.7	10.75	10.13	15.25	8.13	1,376	1.27	1.37	-7.3	17.4	.23	2.2	—	9 mos.	03-85	18.8	16.8	1.5	-11.8	.15	-11.8	48.5	20.3	4.5	9.8	.42	2.4

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

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Grace buys two General Mills chains

W. R. GRACE'S RESTAURANT HOLDINGS*

Company-Designated Segment	No. of Units	Key Concepts
Coffee Shops	271	Cocos, Carrows
Mexican Dinnerhouses	154	El Torito, Casa Maria Tequilla Willie's
Creative Food 'n' Fun	112	Del Taco, T. J. Applebee's
Dinnerhouses	92	Reuben's, Charley Brown's, Baxter's
Gilbert/Robinson	79	Houlihan's, Bristol, Chequers
Mor Food 'n' Fun	4	Gladstone's

*As of April 1984. Does not include planned purchase of Darryl's, Casa Gallardo or Taco Villa.

Source: W. R. Grace & Co.

52 Darryl's, Casa Gallardos change hands

By Mark Schoifet

NEW YORK — W. R. Grace & Co., in a move to strengthen its growing market position in two key restaurant segments, has agreed in principle to acquire 27 Darryl's casual themers and 25 Casa Gallardo Mexican dinnerhouses from General Mills. The sale price was not disclosed.

Under terms of the complex arrangement, Darryl's is to be acquired by Grace Restaurant Co., a wholly owned subsidiary of the chemicals conglomerate. But the Darryl's chain is to be managed by the casual-dining division of Gilbert/Robinson, a separate Grace subsidiary based in Kansas City and operator of the 50-unit Houlihan's chain.

Casa Gallardo, based primarily in the Southeast, is to be acquired by El Torito of Irvine, Calif., a publicly held company in which Grace owns a majority stake. With 157 units in 27 states, El Torito claims to be the largest operator of Mexican dinnerhouses in the nation.

The proposed deal underscores the contrast in corporate strategies between expansion-minded W. R. Grace and General Mills, which is streamlining its restaurant operations. Along with Pillsbury—which recently acquired the 895-unit Godfather's pizza chain and the Quik Wok Chinese fast feeder—Grace is expanding at a phenomenal rate.

Mike Casey, El Torito's executive vice presi-

*(See **GENERAL MILLS**, page 73)*

'Value' packaging gains greater use

By Marilyn Alva

Canny fast-food marketers are trading customers up to bigger check averages and building new sales volume by assembling à la carte menu items into fixed-price dinner packages sold at a discount.

McDonald's "Value Pack," introduced in July, combines heftier portions of Chicken McNuggets, fries and a soda at about a 50¢ discount. Owing to unexpected demand, many stores ran short of the accompanying red, yellow and orange box trays after the second week of promotion, which nationwide television advertising supported.

Customers' response to Roy Roger's first dinner special last January was so overwhelming that the chain is now in its fifth line of "Roy's Specials," a $6.49 "Roy's Picnic Special" for two. The chain is looking for more bundled combinations.

Some 15% of sales at Church's are attributable to its

*(See **CHAINS**, page 73)*

THE SECOND QUARTER: A MIXED BAG

(Second-Quarter Results for Selected Companies)

	Revenue		Net Income	
Company	$ Millions	% Change	$ Millions	% Change
Calny	$ 13.6	13.3%	$ 0.9	0.0%
Chi-Chi's	56.5	38.5	3.5	−18.6
Church's	139.4	13.5	11.2	1.8
Collins Foods	124.0	18.9	4.4	22.2
Cracker Barrel	16.0	16.8	0.3	−40.0
Dairy Queen	48.4	27.7	3.1	25.8
Luby's	52.5	14.4	5.5	7.8
Marriott	1,002.3	21.5	43.1	24.2
Ponderosa	117.2	− 1.3	0.8	−82.2
Ryan's	12.4	61.0	1.3	62.5
Shoney's	129.6	15.0	8.9	23.6
Sizzler	42.6	13.0	2.9	16.0
Vicorp	85.8	61.0	1.4	−30.0

Source: Media General Financial Services

Profits slip in quarter

Wall Street trims earnings forecasts

By Rick Telberg

Pressured by soft sales and increasingly vicious competition, profits at many of the nation's most prominent restaurant chains deteriorated during the recently completed second quarter.

About 67% of the companies tallied on the *Nation's Restaurant News* stock table failed to show earnings gains in their latest quarter. At the end of 1984 51% were disappointments.

Wall Street has taken notice. In the

*(See **PROFITS**, page 73)*

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BETHESDA MD 20814

NEWSPAPER

Diner highlights regional fare

Shiny independent takes San Francisco by storm

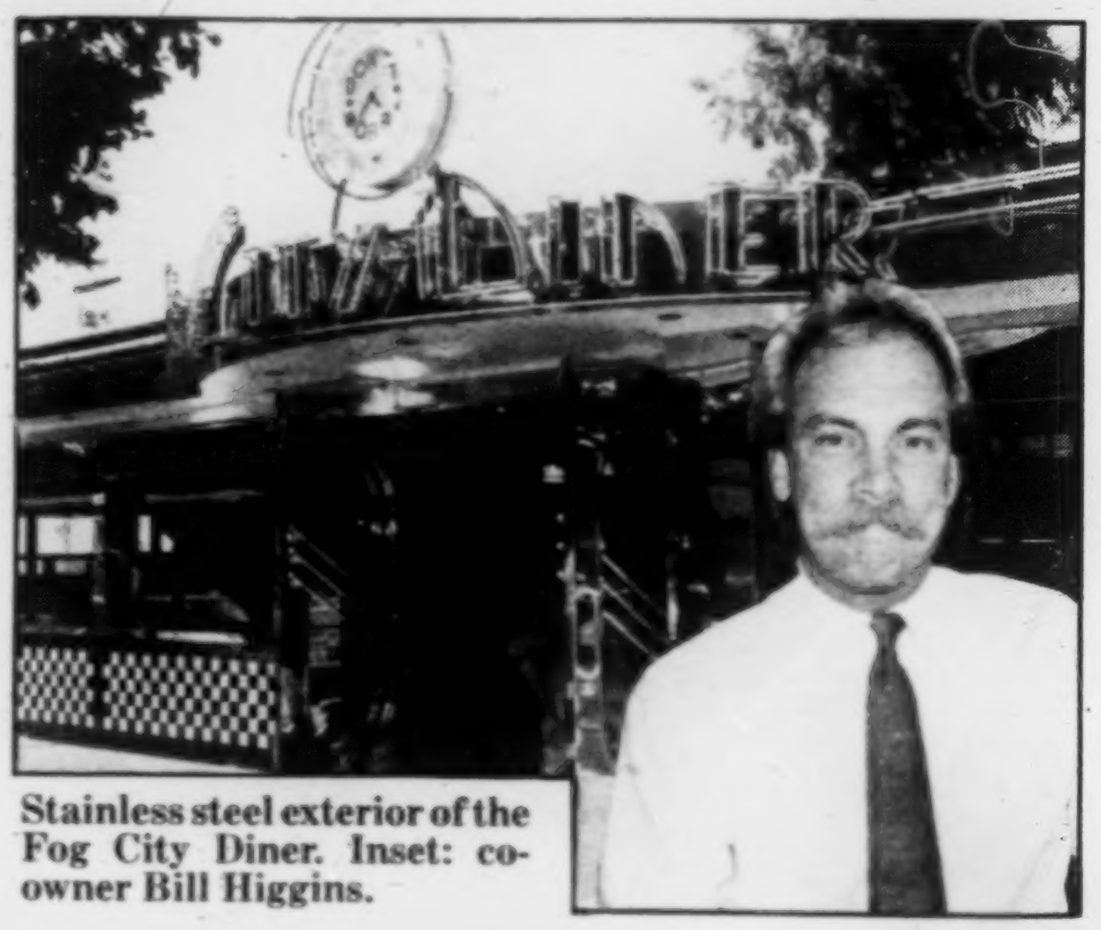
By Alan Liddle

SAN FRANCISCO — Stories about the cost of its stainless steel shell are exaggerated, but tales of a seven-day wait for a seat in the new Fog City Diner are apparently on the mark.

The 3,000-sq.-ft. diner is described by Bill Higgins of parent company Real Restaurants as a 1980's interpretation of a 1930's eatery. The elongated silver-skinned and neon-trimmed establishment opened June 16 near Levi Plaza, and reservations for prime lunch and dinner hours are now being booked a week in advance.

Bill Upson and Cindy Pawlcyn are Higgins' partners in

*(See **DINER**, page 73)*



Stainless steel exterior of the Fog City Diner. Inset: co-owner Bill Higgins.

NRN Index slides 2.2 to 132.5; losers beat winners

NEW YORK — As the stock market cooled off in the week ended July 26 after a record-breaking previous week, the *Nation's Restaurant News* Food-Service Operators Stock Index fell 2.2 points, closing at 132.5.

The Dow Jones Industrial Average, after closing July 19 at a record 1,359.54, dropped 2.46 in the next week, finishing at 1,357.08. Investors were selling off stocks and pocketing profits.

On *NRN*'s full, 116-issue listing, which includes lodging and diversified companies, declining issues far outnumbered advancing ones, 61 to 26, with 29 unchanged. Fifty-one stocks traded at higher volume than their previous 12-week averages, while 65 issues traded lower.

A leading percentage price gainer was Prime Motor Inns, up $3.25 to close at $34.50, a 52-week high. During the week it was reported that Prime Motor Inns, along with Marriott, had resumed discussions with London-based Imperial Group PLC about the purchase of Howard Johnson's hotel operations. Marriott reached a yearly high of $100 in the week but closed at $96.63, a $1 decline from what it was the previous week.

Calny Food, the largest Taco Bell franchisee, had the biggest relative volume surge in the week, as 501,500 shares changed hands, a 310.7% increase over the volume trend. Calny was up $1.25, closing at $14.75, a 52-week high.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Calny Food .... M	310.7	Rest Systems .... M	181.0
Intl Dairy Queen .... O	266.7	Cracker Barrel .... M	178.4
Prime Mtr Inn .... N	229.5	Saga Corp .... N	159.4
Shoney's South .... M	216.9	Grace W R .... N	158.1
Hambrg Hamlet .... O	191.1	Taco Villa .... O	138.9

TOP TEN GAINERS

(Weekly Price Change, in %)

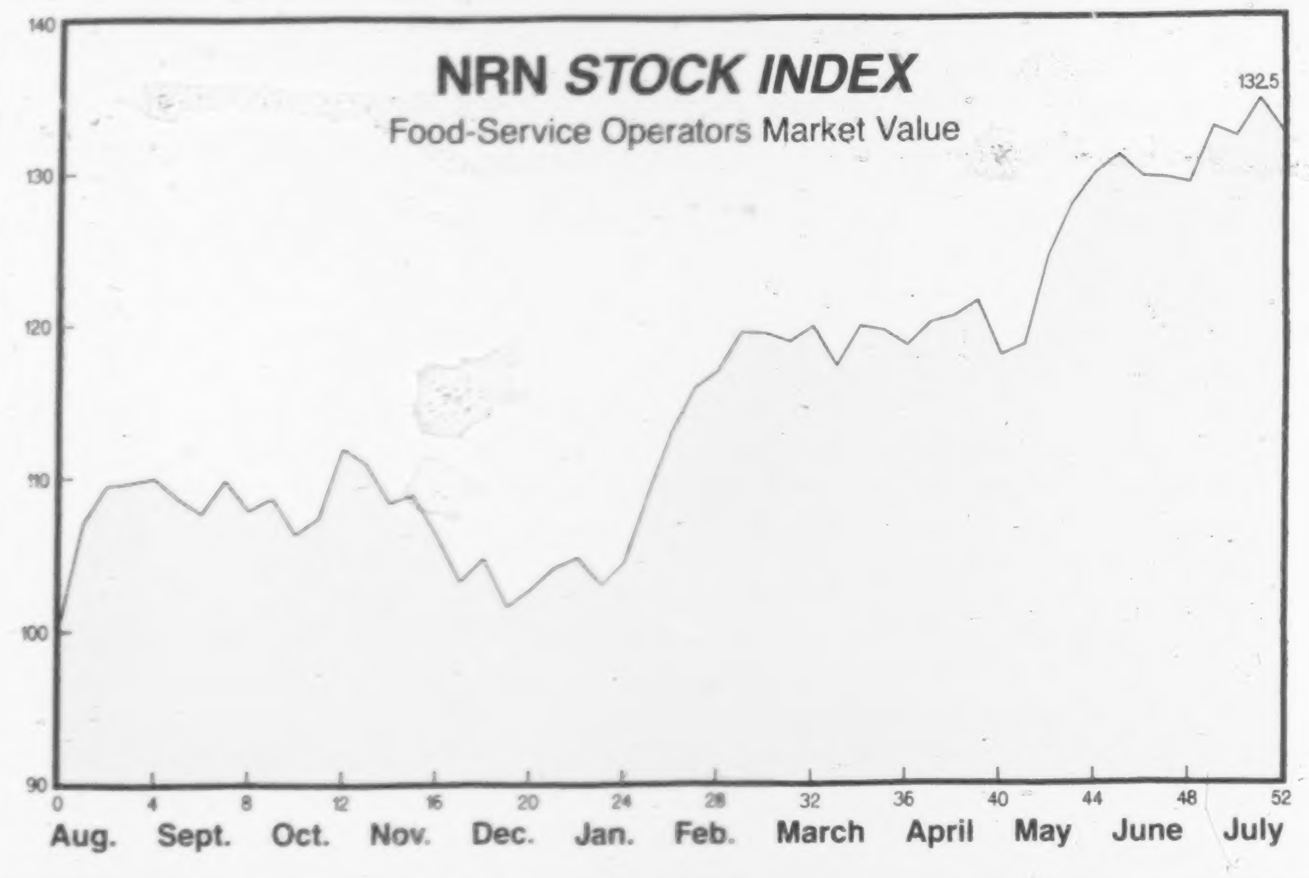
Kelly-Johnston .... O	20.0	Calny Food .... M	9.3
Naugles Inc .... M	17.1	Intl Dairy Queen .... O	8.9
Nankin Express .... O	12.5	So Hospitality .... M	8.3
Po-Folks .... M	11.5	Assoc Hosts .... M	7.4
Prime Mtr Inn .... N	10.4	Wstn Steer .... M	7.0

TOP TEN LOSERS

(Weekly Price Change, in %)

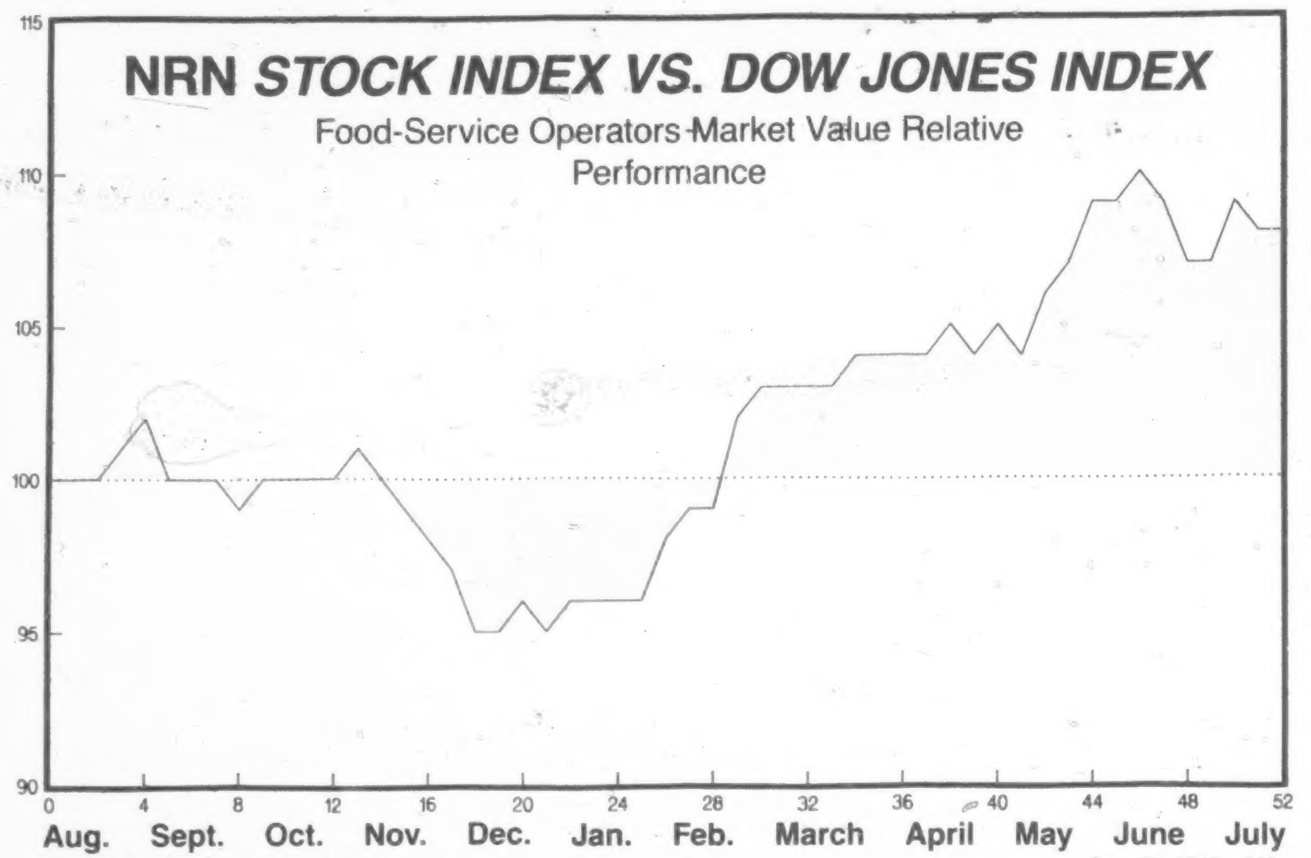
Fast Food Oper .... O	- 20.0	Flakey Jakes .... M	- 10.2
SIS Cp .... O	- 15.0	Old Fashion Fd .... M	- 10.0
Victoria Stations .... M	- 12.0	Consol Prdts .... M	- 8.8
Ritzys G D .... M	- 11.1	Pizza Inn .... A	- 8.5
USACafes .... M	- 10.4	Pillsbury Co .... N	- 8.4

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	7-26-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs .... M	6.50	- .25	- 3.7	6.63	6.50	7.13	3.50	52	.15	.50	- 70.0	18.6	.00	.0		6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests .... M	4.50	.00	.0	4.63	4.50	5.38	3.50	141	.57	.33	72.7	34.6	.00	.0	.....	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants .... O	4.00	.25	6.7	4.38	3.75	5.75	2.38	127	.55	.27	103.7	80.0	.00	.0	.....	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts .... M	14.50	1.00	7.4	14.63	13.13	17.13	10.75	2,137	4.83	2.81	71.9	19.6	.12	.8	.....	6 mos.	03-85	22.9	- 5.8	.7	- 36.4	.16	- 36.0	45.4	- 3.6	1.4	- 26.3	.32	- 25.6
Benihana Natl .... M	19.75	- .75	- 3.7	20.13	19.38	21.75	11.38	1,865	6.41	5.52	16.1	18.5	.00	.0	.....	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms .... M	22.00	- 1.50	- 6.4	23.25	21.25	23.50	16.25	2,217	1.36	.71	91.5	19.8	.30	1.4	.....	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp .... M	2.25	- .13	- 5.3	2.38	2.25	5.13	.63	121	.40	.56	- 28.6	NE	.00	.0	.....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food .... M	14.75	1.25	9.3	14.75	13.75	14.75	8.13	5,015	11.09	2.70	310.7	21.7	.16	1.1	.....	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab .... M	1.63	.00	.0	1.63	1.50	2.88	1.31	1,075	.70	.96	- 27.1	NE	.00	.0	.....	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp .... N	8.50	.13	1.5	8.88	8.38	11.50	8.13	358	.46	.70	- 34.3	11.5	.07	.8	.....	9 mos.	02-85	34.6	19.3	.9	80.0	.12	50.0	109.2	20.7	4.8	41.2	.62	10.7
Chefs Intl .... O	.69	.00	.0	0.75	0.69	1.06	.38	1,070	.55	.45	22.2	NE	.00	.0	.....	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's .... M	12.75	- .38	- 2.9	13.00	12.63	18.00	9.38	12,765	4.73	4.43	6.8	22.0	.00	.0	.....	fiscal	04-85	56.5	38.5	3.5	- 18.6	.13	- 27.8	205.7	30.2	15.6	- 6.6	.58	- 12.1
Chili's Inc .... M	28.25	- .13	- .4	28.63	28.25	28.88	17.00	686	1.47	1.61	- 8.7	36.7	.00	.0	.....	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch .... N	17.00	- 1.38	- 7.5	18.63	16.25	20.25	12.75	12,607	3.35	1.99	68.3	14.5	.44	2.6	.....	6 mos.	06-85	139.4	13.5	11.2	1.8	.30	3.4	255.7	12.5	19.1	7.9	.51	8.5
Collins Foods .... N	24.75	.13	.5	25.00	24.50	25.00	12.00	1,839	1.40	1.01	38.6	17.9	.16	.6	.....	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev .... M	11.25	- .50	- 4.3	11.50	11.00	16.75	5.75	455	.88	4.53	- 80.6	NE	.00a	.0	.....	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts .... M	3.88	- .38	- 8.8	4.00	3.88	5.38	3.88	351	1.07	.48	122.9	11.7	.08	2.1	.....	6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant .... M	4.25	- .13	- 2.9	4.63	4.25	9.75	3.38	550	1.21	2.64	- 54.2	NE	.00	.0	.....	9 mos.	02-85	21.0	32.1	(3.3)	- 100.0	(.72)	- 100.0	63.0	32.6	(3.7)	- 100.0	(.82)	- 100.0
Cracker Barrel .... M	14.00	- .25	- 1.8	14.13	13.75	23.50	11.75	2,290	6.43	2.31	178.4	19.4	.14	1.0	.....	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc .... O	4.75	.00	.0	5.25	4.75	5.75	2.75	31	.18	.24	- 25.0	33.9	.00	.0	.....	9 mos.	03-85	1.6	100.0	.1	.0	.04	33.3	4.8	108.7	.2	.0	.11	10.0
Diversifoods .... M	11.25	.00	.0	11.25	11.25	14.63	8.00	111	.03	5.01	- 99.4	27.4	.34	3.0	.....	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer .... M	10.25	.00	.0	10.25	10.13	15.50	9.00	1,048	2.06	3.15	- 34.6	78.8	.00	.0	.....	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts .... M	24.25	- .75	- 3.0	24.88	24.25	25.38	14.84	1,250	1.75	2.11	- 17.1	18.0	.24	1.0	.....	6 mos.	04-85	.7	- 96.8	2.8	16.7	.38	15.2	24.7	- 41.3	5.4	14.9	.74	15.6
El Chico .... M	12.13	.00	.0	12.38	11.88	12.50	7.25	659	1.42	2.20	- 35.5	15.5	.00	.0	.....	9 mos.	02-85	20.6	6.7	.9	.0	.19	- 5.0	61.8	7.1	2.7	.0	.58	- 3.3
El Pollo Asa .... O	5.63	.00	.0	5.75	5.50	6.34	1.84	258	1.02	3.29	- 69.0	NE	.00	.0	.....	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest .... N	17.00	- .50	- 2.9	17.88	17.00	19.25	10.50	221	.20	.99	- 79.8	15.7	.00	.0		6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Fast Food Oper .... O	.75	- .19	- 20.0	1.00	0.75	1.63	.63	470	.79	.59	33.9	25.0	.00	.0	.....	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes .... M	5.50	- .63	- 10.2	5.88	5.50	8.50	4.88	1,010	1.46	2.02	- 27.7	NE	.00	.0	.....	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest .... O	2.25	.00	.0	3.25	2.25	7.38	2.25	1	.01	.25	- 96.0	NE	.00	.0	.....	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Fresher Cooker .... O	.38	.00	.0	0.63	0.38	6.50	.25	280	1.25	.93	34.4	NE	.00	.0	.....	3 mos.	03-85	.7	- 22.2	(.2)	NE	(.15)	NE	.7	- 22.2	(.2)	NE	(.15)	NE
Frisch's .... A	24.50	- .50	- 2.0	24.88	24.13	26.00	14.50	102	.23	.22	4.5	20.8	.22	.9	.....	9 mos.	02-85	27.2	3.0	.4	33.3	.10	25.0	96.8	5.7	3.3	10.0	.76	10.1
Fuddruckers Inc .... M	8.13	- .38	- 4.4	8.75	8.13	15.13	6.00	2,115	3.25	3.84	- 15.4	NM	.00	.0	.....	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Garcias Scot .... M	2.63	.06	2.4	2.63	2.50	4.88	1.63	544	.91	1.67	- 45.5	NE	.00	.0	.....	3 mos.	03-85	16.3	- 4.7	.4	NE	.07	NE	16.3	- 4.7	.4	NE	.07	NE
Good Taco .... O	.50	.00	.0	0.56	0.50	3.13	.25	67	.23	1.40	- 83.6	NE	.00	.0	.....	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet .... O	14.25	.00	.0	15.00	14.25	15.25	10.50	117	1.63	.56	191.1	7.3	.00	.0		fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger .... M	4.75	.25	5.6	4.88	4.50	6.50	3.63	494	1.71	1.27	34.6	NE	.00	.0	.....	6 mos.	02-85	14.5	- 8.8	(.4)	- 100.0	(.12)	- 100.0	28.9	- 6.8	(.5)	- 100.0	(.16)	- 100.0
Intl Dairy Queen .... O	61.00	5.00	8.9	63.50	58.00	61.50	39.00	88	.44	.12	266.7	15.0	.00	.0	.....	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab .... M	19.50	.00	.0	20.25	19.00	24.75	13.63	383	1.33	2.05	- 35.1	13.9	.00a	.0	.....	9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest .... M	13.25	- 1.00	- 7.0	14.25	12.63	15.50	8.34	2,376	6.79	5.85	16.1	57.6	.16	1.2	.....	6 mos.	03-85	18.0	35.3	.3	.0	.07	- 22.2	36.7	38.5	.9	.0	.24	- 4.0
Jerrico Inc .... M	20.88	- .25	- 1.2	21.00	20.38	21.63	14.25	5,162	3.27	3.12	4.8	15.3	.12	.6	.....	9 mos.	03-85	122.3	.2	4.3	- 4.4	.27	- 6.9	377.6	5.6	14.7	8.9	.93	8.1
Kapok Cp .... A	4.00	.00	.0	4.13	3.88	4.38	1.13	123	.50	1.89	- 73.5	4.3	.00	.0	.....	6 mos.	03-85	5.6	- 12.5	(.1)	NE	(.06)	NE	10.8	- .9	3.8	NE	1.61	NE
Karcher Carl .... M	16.25	- .50	- 3.0	17.00	16.25	29.63	13.50	1,117	1.58	1.96	- 19.4	9.9	.00	.0	.....	fiscal	01-85	75.3	8.2	1.4	- 33.3	.20	- 28.6	331.4	14.4	11.6	.9	1.64	1.2
Kelly-Johnston .... O	.38	.06	20.0	0.44	0.31	5.00	.25	817	.96	1.56	- 38.5	NE	.00	.0	.....	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest .... A	1.75	- .13	- 6.7	1.88	1.63	3.50	1.63	259	.46	.43	7.0	NE	.00	.0	.....	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.2[illegible]	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe .... N	33.88	- 3.00	- 8.1	37.38	33.88	37.38	24.94	686	.56	.62	- 9.7	21.9	.60	1.8	.....	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp .... M	18.88	.00	.0	18.88	18.75	19.13	12.38	143	.28	.59	- 52.5	12.3	.30	1.6	.....	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp .... N	96.63	- 1.00	- 1.0	100.00	96.13	100.00	67.25	2,812	1.09	.61	78.7	17.0	.54	.6	.....	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest .... M	3.13	.00	.0	3.13	2.75	6.25	2.25	44	.09	.24	- 62.5	NM	.00	.0	.....	3 mos.	04-85	3.1	29.2	.0	- 100.0	.00	- 100.0	3.1	29.2	.0	- 100.0	.00	- 100.0
Max & Erma's .... O	2.75	.00	.0	3.25	2.75	4.75	2.50	8	.04	.22	- 81.8	NE	.00	.0	.....	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp .... N	65.88	- 2.75	- 4.0	68.75	64.88	70.00	47.34	8,481	.99	1.05	- 5.7	14.6	.90	1.4	.....	3 mos.	03-85	808.6	8.5	84.3	12.4	.96	12.9	808.6	8.5	84.3	12.4	.96	12.9
McFaddin Ventures .... M	11.25	.25	2.3	11.25	10.75	12.25	9.63	755	1.54	.92	67.4	16.5	.00	.0	.....	3 mos.	02-85	13.2	25.7	1.2	50.0	.25	47.1	13.2	25.7	1.2	50.0	.25	47.1
Morrison Inc .... M	21.63	.38	1.8	21.75	20.88	21.63	15.50	1,535	1.16	1.47	- 21.1	14.1	.48	2.2	.....	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak .... O	2.00	.00	.0	2.13	1.88	3.13	1.13	173	.36	.94	- 61.7	NE	.00	.0	.....	6 mos.	03-85	.9	- 94.8	(.2)	NC	(.05)	NC	14.8	- 54.7	(.1)	NC	(.03)	- 100.0
Nankin Express .... O	1.13	.13	12.5	1.38	1.00	2.38	.63	252	1.12	.93	20.4	NE	.00	.0	.....	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans .... M	3.63	.00	.0	3.63	3.38	4.50	2.00	63	.28	.41	- 31.7	11.3	.05	1.4	.....	fiscal	03-85	5.5	34.1	(.2)	NE	(.07)	NE	22.7	13.5	.7	75.0	.32	68.4
Natl Pizza .... M	11.88	.00	.0	11.88	11.38	12.25	7.50	1,219	2.20	1.17	88.0	17.0	.00	.0	.....	fiscal	03-85	10.1	74.1	.8	166.7	.14	- 36.4	40.5	35.0	3.6	33.3	.70	4.5
Naugles Inc .... M	6.00	.88	17.1	6.00	5.00	10.13	4.50	1,691	3.72	1.91	94.8	NE	.00	.0	.....	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman .... O	7.75	.00	.0	8.25	7.75	8.50	5.94	111	.92	.55	67.3	45.6	.00	.0	.....	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	- 100.0	4.7	4.4	(.1)	NC	(.11)	- 100.0
1 Potato 2 .... O	.63	.00	.0	0.88	0.50	7.75	.50	146	.67	.59	13.6	NE	.00	.0		3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd .... M	4.50	- .50	- 10.0	4.75	4.50	5.50	4.00	45	.32	.53	- 39.6	9.6	.00	.0	.....	9 mos.	02-85	3.5	20.7	.2	.0	.10	- 28.6	10.3	30.4	.5	- 16.7	.34	- 22.7
Pancho Mex Buffet .... M	8.13	- .13	- 1.5	8.25	8.00	8.38	6.00	817	2.20	2.82	- 22.0	14.8	.13	1.6	.....	6 mos.	03-85	8.5	11.8	.4	.0	.11	- 8.3	16.4	13.1	.6	.0	.20	.0
Peo Restaurants .... M	.13	.00	.0	0.19	0.13	1.88	.13	260	.30	1.96	- 84.7	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf .... M	22.50	- .38	- 1.6	22.88	22.38	24.25	16.50	1,031	1.71	.77	122.1	14.2	.60	2.7	.....	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4



NRN STOCK INDEX

Food-Service Operators Market Value



NRN STOCK INDEX VS. DOW JONES INDEX

Food-Service Operators Market Value Relative Performance

Source: Media General Financial Services

Oct. 28, 1983 = 100

	Stock Market											Financial Update																	
	Price							Volume				P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	7-26-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.13	- .75	- 8.5	8.88	8.13	12.75	6.88	215	.71	.91	- 22.0	27.1	.08	1.0	.....	3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6
Po-Folks M	14.50	1.50	11.5	15.00	12.75	16.63	8.75	1,121	2.54	1.12	126.8	20.7	.00	.0	.....	6 mos.	03-85	30.2	30.2	.2	.0	.03	- 40.0	60.5	30.1	.8	- 20.0	.18	- 21.7
Ponderosa Sys N	12.25	.00	.0	12.38	12.00	21.25	10.75	799	.83	2.35	- 64.7	27.2	.40	3.3	.....	3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc O	2.13	- .13	- 5.6	2.38	2.13	4.63	1.50	200	.59	.84	- 29.8	NE	.00	.0	.....	6 mos.	03-85	.8	- 20.0	.1	.0	.03	.0	1.8	- 10.0	.2	.0	.07	16.7
RAX Restaurants M	8.25	- .75	- 8.3	9.00	8.25	16.38	7.50	274	.40	.69	- 42.0	41.3	.00	.0		fiscal	07-79	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.20	300.0
Rest Assoc A	8.13	.13	1.6	8.38	8.00	8.88	5.38	141	.50	.56	- 10.7	18.9	.00	.0	.....	3 mos.	03-85	33.2	10.7	(.3)	NC	(.12)	NC	33.2	10.7	(.3)	NC	(.12)	NC
Rest Mgmt M	19.50	- .25	- 1.3	20.00	19.50	20.00	9.00	29	.18	1.67	- 89.2	20.5	.09	.5	..	6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems M	16.25	- .25	- 1.5	16.25	15.75	16.50	11.75	682	2.95	1.05	181.0	17.9	.00	.0	.....	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D M	2.00	- .25	- 11.1	2.25	2.00	6.25	1.75	306	.59	.85	- 30.6	NE	.00	.0	.....	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican M	16.88	.25	1.5	16.88	16.63	18.25	11.00	268	.95	.50	90.0	22.8	.00	.0	.....	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam M	17.50	- 1.25	- 6.7	18.50	17.50	19.25	11.34	670	.96	1.55	- 38.1	28.7	.00	.0	.....	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp N	26.50	- 1.38	- 4.9	28.25	26.00	35.50	24.50	5,431	4.15	1.60	159.4	10.6	.52	2.0	.....	9 mos.	03-85	327.3	15.2	7.6	- 7.3	.57	- 8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef M	8.50	- .13	- 1.4	8.50	8.25	9.00	6.88	25	.20	.69	- 71.0	14.9	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	7.00	- .50	- 6.7	7.50	7.00	9.50	6.50	777	2.45	2.56	- 4.3	3.7	.00	.0		6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc M	28.25	- 1.88	- 6.2	29.63	28.00	31.88	20.34	1,990	.70	1.07	- 34.6	23.7	.15	.5	.....	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South M	11.00	.13	1.1	11.13	10.00	16.59	10.00	2,418	4.31	1.36	216.9	10.4	.00	.0	.....	3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp O	4.25	- .75	- 15.0	5.00	4.25	6.00	3.25	62	.40	.26	53.8	NE	.00	.0	.....	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	17.75	.50	2.9	17.75	17.25	17.75	8.16	886	.87	1.05	- 17.1	18.3	.00	.0	.....	fiscal	04-85	42.6	13.0	2.9	16.0	.28	16.7	159.5	11.9	9.9	23.8	.97	24.4
Skippers M	9.25	- .13	- 1.3	9.63	9.00	12.50	8.00	301	1.10	1.31	- 16.0	10.1	.06	.6	.....	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality M	4.88	.38	8.3	4.88	4.25	5.88	4.00	2,448	4.91	2.48	98.0	13.9	.00	.0	.....	fiscal	05-85	9.4	- 6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face O	.78	.00	.0	0.94	0.75	1.44	.50	935	.62	.43	44.2	NE	.00	.0	.....	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	2.38	.00	.0	2.63	2.38	3.50	1.50	175	.54	.45	20.0	NE	.00	.0	.....	3 mos.	03-85	2.7	12.5	(.3)	NC	(.05)	NC	2.7	12.5	(.3)	NC	(.05)	NC
Taco Villa O	6.00	.25	4.3	6.50	5.75	7.75	4.75	167	.43	.18	138.9	20.7	.00	.0	.....	3 mos.	03-85	8.8	22.2	.3	.0	.07	- 12.5	8.8	22.2	.3	.0	.07	- 12.5
Taco Viva M	5.38	- .25	- 4.4	5.63	5.38	7.50	4.84	234	.68	1.36	- 50.0	15.8	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	10.25	- .25	- 2.4	10.63	10.13	12.38	7.88	425	.37	.75	- 50.7	15.3	.00	.0	.....	3 mos.	03-85	76.3	16.8	3.4	9.7	.19	11.8	76.3	16.8	3.4	9.7	.19	11.8
TGIF Texas O	2.00	.00	.0	2.50	2.00	2.38	2.00	7	.05	.09	- 44.4	NE	.00	.0	.....	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY M	19.25	- 1.75	- 8.3	21.00	18.75	21.50	1.84	959	2.20	3.70	- 40.5	53.5	.00	.0		6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld N	38.75	- 1.88	- 4.6	40.63	38.63	41.13	25.63	7,337	2.06	1.96	5.1	12.6	.48	1.2	.....	3 mos.	03-85	479.8	3.5	16.2	- 16.1	.40	- 14.9	479.8	3.5	16.2	- 16.1	.40	- 14.9
USACafes M	5.38	- .63	- 10.4	5.88	5.00	6.00	2.75	2,505	3.99	2.44	63.5	15.4	.28	5.2	.....	6 mos.	03-85	4.8	.0	.8	.0	.09	- 35.7	9.4	17.5	1.2	9.1	.16	- 15.8
Vicorp Restaurants M	26.88	1.50	5.9	26.88	25.38	28.25	13.25	1,990	2.37	5.58	- 57.5	22.4	.12	.4	.....	6 mos.	04-85	85.8	61.0	1.4	- 30.0	.17	- 43.3	192.5	121.3	2.8	- 9.7	.34	- 26.1
Victoria Stations M	2.75	- .38	- 12.0	3.13	2.75	6.75	2.13	654	1.44	2.20	- 34.5	NE	.00	.0		fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl N	17.88	- .50	- 2.7	18.50	17.38	19.13	12.19	11,816	1.61	1.45	11.0	18.6	.21	1.2	.....	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer M	11.50	.75	7.0	11.50	10.50	11.50	9.00	22	.18	.32	- 43.8	18.9	.20	1.7	.....	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp N	6.13	- .25	- 3.9	6.50	6.13	13.38	5.13	285	.63	.76	- 17.1	43.8	.00	.0	.....	3 mos.	03-85	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0	24.0	- 1.2	(.6)	- 100.0	(.16)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.63	.00	.0	2.75	2.50	5.63	1.88	370	.28	1.07	- 73.8	NE	.10	3.8	.....	3 mos.	03-85	66.8	- 8.6	13.9	2680.0	.98	2350.0	66.8	- 8.6	13.9	2680.0	.98	2350.0
Hilton Hotels N	63.63	- 2.88	- 4.3	66.25	63.13	73.50	46.63	1,310	.53	1.00	- 47.0	13.4	1.80	2.8		6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Inns N	52.88	- 2.13	- 3.9	55.00	52.75	57.63	35.25	4,482	1.56	1.28	21.9	13.3	1.00	1.9	.....	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn N	34.50	3.25	10.4	34.50	30.25	34.50	14.44	6,673	3.46	1.05	229.5	30.5	.09	.3		9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns N	6.88	- .38	- 5.2	7.88	6.75	8.25	5.13	5,326	1.43	1.77	- 19.2	85.9	.00	.0	.....	3 mos.	03-85	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0
Servico Inc M	23.00	- .50	- 2.1	23.00	22.50	23.50	14.78	31	.09	.70	- 87.1	14.6	.00a	.0	.....	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 84.6	42.0	- 2.1	.1	- 88.9	.04	- 84.6
Sonesta Intl O	22.50	- .50	- 2.2	25.00	22.50	27.00	18.50	4	.03	.05	- 40.0	7.6	.40	1.8	.....	3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev M	19.63	- 1.13	- 5.4	20.50	19.63	22.63	15.25	453	.75	2.02	- 62.9	19.4	.40	2.0	.....	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut N	8.25	- .63	- 7.0	8.88	8.25	11.41	7.03	248	.51	.61	- 16.4	NM	.00a	.0	.....	9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 66.7	87.1	.2	.4	- 60.0	.09	- 57.1
Disney, Walt N	88.25	- 1.75	- 1.9	90.50	85.50	95.00	52.75	8,615	2.61	2.00	30.5	49.9	1.20	1.4		9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Arden Intl O	2.13	.13	6.3	2.25	2.00	2.75	1.13	76	.32	.56	- 42.9	NE	.00	.0	.....	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills N	56.75	- 3.25	- 5.4	60.00	55.75	64.00	47.75	8,420	1.90	1.74	9.2	33.6	2.24	3.9	.....	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	42.38	.63	1.5	42.75	41.63	44.50	38.50	11,667	2.40	.93	158.1	12.3	2.80	6.6	.....	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart A	8.88	- .13	- 1.4	9.13	8.50	15.59	8.38	1,380	1.12	1.21	- 7.4	17.1	.00a	.0	.....	3 mos.	03-85	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0
Ogden Corp N	31.50	- 2.38	- 7.0	34.25	31.13	34.25	24.13	3,550	1.87	.99	88.9	15.2	1.80	5.7	.....	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc N	56.50	- 3.13	- 5.2	59.88	55.75	60.50	39.88	18,903	1.97	1.86	5.9	14.8	1.78	3.2	.....	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co N	50.25	- 4.63	- 8.4	55.00	50.25	56.63	36.63	4,112	.95	.81	17.3	11.9	1.56	3.1	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	- 17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec O	3.50	.00	.0	4.00	3.50	4.50	3.50	8	.04	.09	- 55.6	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Vie de France M	10.63	.38	3.7	10.63	10.00	15.25	8.13	2,868	2.65	1.53	73.2	18.0	.23	2.2	.....	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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Nation's
Restaurant News®

The Weekly Newspaper of the Food-Service Industry

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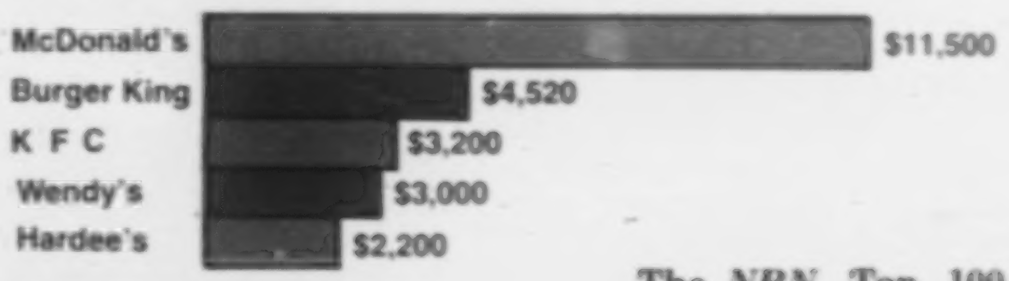
NRN *TOP 100 PREVIEW*

Top five chains

(Systemwide Sales for Current Fiscal Year, in Millions)



Fastest growing chains

(Annual Percentage Change, by Fiscal Year)

	Current	Last Full
Service America	132%	40%
Domino's	92	76
Bojangles'	43	36
Marriott Food Service Mgt.	39	17
Po Folks	39	77

Source: *NRN* research

The *NRN* Top 100 is winning an ever-larger share of the marketplace and growing at more than twice the pace of the industry as a whole. The excerpts here tell part of the story. Full Chain Analysis coverage appears in the Focus section.

Interstate United, Canteen to merge under Transworld

Will become nation's 3rd-largest contract feeder

By Alan Liddle

NEW YORK — Transworld Corp. has agreed to purchase contract feeder Interstate United Corp. from Hanson Trust PLC of London for $92.5 million in cash.

Transworld said it would merge Interstate into its Canteen Corp. contract food-service subsidiary upon completion of the purchase in September or October.

The addition of Interstate, which reported revenues of $395 million for fiscal 1984, is expected to make Canteen the nation's third-largest contract feeder, with an estimated 2,500 manual accounts, thousands of vending machines and projected annual systemwide sales of $1.5 billion.

Transworld said it was too early to say whether the headquarters of Canteen and Interstate—which are both in Chicago—will be combined or how the overlap of their operations will be handled.

The acquisition is expected to reshuffle the rankings of contract feeding's sales leaders.

Business and industry feeding accounts form the largest percentage of Canteen's nonvending revenues. About 65% of Canteen's nonvending accounts are with "white-collar" companies, such as law offices, insurance companies and banks. But the company also claims to be one of the largest "blue-collar" feeders, if not the largest, with a strong penetration of heavy

*(See **INTERSTATE**, page 205)*

Ponderosa gears up to broaden market base

Menu, unit revamp under way

By Ken Frydman

DAYTON, Ohio — With a new president at its helm, a menu diversification plan in place and a systemwide remodeling package on the boards, the 645-unit Ponderosa chain is poised to widen its niche in the family steakhouse segment.

Thomas J. Russo, 43, who resigned last fall as president of Howard Johnson's restaurant and lodging group, has been breathing new life into the chain since taking over in February as president of the Ponderosa Steak House division and executive vice president of parent company Ponderosa Inc.

Russo has certainly had his work cut out for him, having inherited a "red" balance sheet from his predecessor, C. Stephen Lewis. Ponderosa suffered a

*(See **PONDEROSA**, page 176)*

Ponderosa Inc.

Dayton, Ohio

Publicly held company traded on the New York Stock Exchange at about $12 a share.

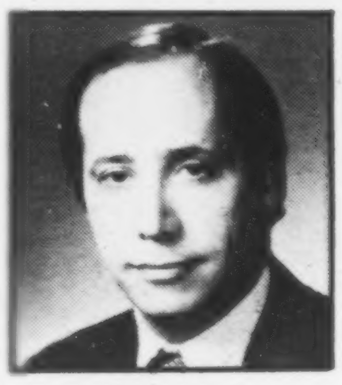
Owns and operates 435 family steakhouses; 210 are franchised. Also owns and operates 19 Casa Lupita Mexican dinnerhouses.

1985 revenue (53 weeks): $499.4 million, up 19.5%. (fiscal year ended Feb. 28).

1985 net income: $8.4 million, down 44%.

1986 first-quarter revenue: $117.2 million, down 1.3%.

1986 first-quarter net income: $800,000, down 82.2%.



Russo

Russo faces many challenges

By Charles Bernstein

News Analysis

DAYTON, Ohio — Can Thomas J. Russo, the 43-year-old veteran restaurant chain executive who tackled so many challenges in 21 years at Howard Johnson, bring Ponderosa Steak Houses from their "sleeping giant" status to their true potential? Can he change the roller coaster up-and-down syndrome that has beset the chain during the shifting economic conditions of the past several years?

Those are some of the major questions that Russo faces in his new role as president of the Steak House division. With Jerry Office continuing as chairman, president and chief executive officer of parent Ponderosa Inc. and still having the final say on the steak-

*(See **RUSSO**, page 176)*

Houston is hot over Cajun-Creole café

By Marilyn Alva

HOUSTON — This city's boom days have come and gone, but one restaurant here has not noticed, thanks to its wild and crazy Cajun-Creole format.

The Atchafalaya River Café is home to an action-packed eating, drinking and party scene that many observers compared with the Mardi Gras of New Orleans, feeding as many as 1,500 people a day and making $6 million a year in sales.

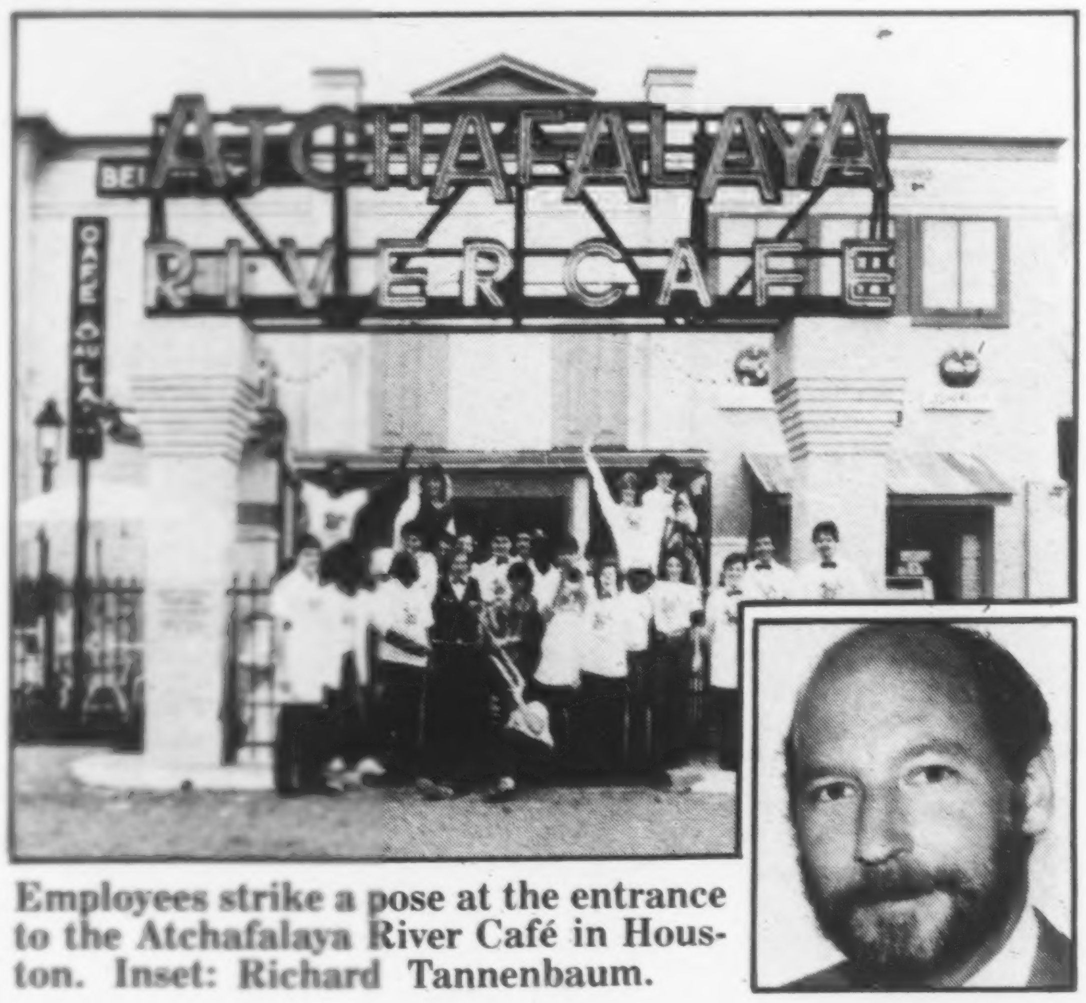
It is "organized chaos by design," said owner-operator Richard Tannenbaum, 38, a local restaurateur by way of Cuba, where he was born, and New Orleans, where he was schooled.

The concept seems to have worked. A survey conducted for the restaurant indicated that 80% of the clientele are repeat customers, and many who live within five miles return more than once a week.

"The place is a party," Tan-

*(See **ATCHAFALAYA**, page 12)*

The *NRN* INDEX now appears on Page 2



Employees strike a pose at the entrance to the Atchafalaya River Café in Houston. Inset: Richard Tannenbaum.

Pizza Hut goes urban

By Don Jeffrey

WICHITA, Kan. — Pizza Hut is testing a scaled-down fast-service concept in two markets that may serve as the chain's growth vehicle into major urban areas.

The newer of the two company-owned Pizza Hut Express Service outlets is in downtown Chicago, in a converted Golden Bear restaurant. The other is in a downtown mall in Pittsburgh. Both feature counter, rather than table, service.

Spokesman Mike Jenkins said the express units were "a

*(See **PIZZA HUT**, page 205)*

Study: Western food-only units outsell others

Significant cost drops reported in West

By Peter Romeo

NEW YORK — "Food-only" restaurants in the western U.S. outpaced their counterparts elsewhere in the country in profitability during 1984, posting an average per-seat profit of $704 compared with a nationwide average of $346, according to a newly issued study.

Food-only outlets in the West reported an average profit margin for 1984 of 10.1%—a figure 2 percentage points higher than any other region's and 2.6 points above the national average.

Restaurants serving alcohol as well as food also fared better in the West, with an average per-seat profit of $379 and average margin of 7.5% compared with national averages of $171 and 4.5%, respectively, the study said.

"We found a significant increase in sales in the West"—to median figures of $8,531 per seat for food-only stores and $6,279 per-seat for food-and-alcohol outlets—"and quite a significant decrease in costs," said Susan Kennedy of Laventhol of Horwath, which conducted the study for the National Restaurant Association.

Payroll, food and beverage costs went from 64% of total sales in 1983 to 56.8% of sales last year, said Kennedy.

"Controllable costs—advertising, promotion, things like that—went up slightly, but by an insignificant amount," Kennedy said.

Restaurant Industry Operations Report '85 found that restaurants in the West also posted the industry's highest seat-turnover rates, with food-only outlets turning their tables an average of 7.3 times and food-and-alcohol restaurants turning theirs 1.4 times.

Food-and-alcohol restaudustry's highest check average in 1984, at $11.34, the study indicated.

The region's food-only outlets reported a check average of $3.41, behind the South's $3.75 and the Northeast's $3.57.

Kennedy attributed the outstanding performance of restaurants in the West to a general economic upturn within the region and a resulting increase in tourism.

"Tourism was up very significantly, especially throughout California," Kennedy said. "That was a big part of it."

But Kennedy is quick to point out that several crowd-drawing events held in the West during 1984, such as the Olympics, the Super Bowl and the Democratic National Convention, failed to deliver the sales increases anticipated.

"People from the local community didn't visit restaurants during the events because they thought they [the restaurants] would be packed with tourists," Kennedy explained. "And the tourists often found themselves trapped in a board room or a hotel and didn't visit as many local restaurants as was expected."

The study found that the restaurant industry as a whole experienced a real sales growth of 4.2% in 1984 compared with the 1983 increase of 3.9%. Sales for food-only outlets rose to $5,134 per seat, and revenues for food-and-alcohol establishments increased to $4,599 per seat.

But the report indicated that the profitability of food-only restaurants slipped by 3.1% during 1984 to $346 per seat. Outlets in the South experienced an average decline of 28.1%, to $315, while the earnings of places in the North-Central region fell by 21% to $188.

In contrast, food-only restaurants in the West posted a 92.9% rise in per-seat profitability, to $704.

The average profitability of food-and-alcohol restaurants increased by 2.4% to a per-seat average of $171. Outlets in the South showed the largest increase, with per-seat profits rising 86.6% to $265, while restaurants in the North-Central area experienced a 50% decline, to an average of $39 per-seat.

PER-SEAT RESTAURANT PROFITS: 1984 VS. 1983

	Food Only			Food & Alcoholic Beverages		
Region	1984	1983	% Change	1984	1983	% Change
Northeast	$433	$464	(6.7)	$139	$149	(6.7)
North Central	188	238	(21.0)	39	78	(50.0)
South	315	438	(28.1)	265	142	86.6
West	704	365	92.9	379	300	26.3
Total U.S.	346	357	(3.1)	171	167	2.4

Source: Laventhol & Horwath/National Restaurant Association

Phillips group unveils three varied concepts

Only fresh seafood served; costs higher

By Ken Frydman

VIRGINIA BEACH, Va. — The family-owned Phillips restaurant group, based in Ocean City, Md., has unveiled three food-service concepts under one roof at its newest fresh-seafood operation.

Opened on the site of a refurbished Jack in the Box in the Janaf Shopping Center here, the prototype Phillips Seafood Shoppe offers customers the option of sit-down, carryout or drive-thru service.

Should the pilot unit meet first-year volume and traffic expectations, the Phillips organization—headed by Shirley and Brice Phillips—will look at other "seafood towns" capable of supporting a high-volume restaurant, according to Paul Wall, the company's comptroller. Other cities in the Tidewater region of Virginia might be candidates, as would Baltimore and the surrounding area.

The test store's gross sales are averaging $1,500 a day, the "breakeven point," Wall said. "We have to do $750,000 to $1 million in the first year to make a return on investment," he added.

Phillips's investment in the site was minimal. The 40-seat Jack in the Box had sat empty for five years before the shopping center's owners bought it and leased it to Phillips. "We just had to do some window dressing and add some equipment, like a steamer, and we were ready to open," Wall said.

The features that most interested the Phillips group were the drive-thru window and talk box. According to Wall, drive-thru service accounts for 20% of the unit's volume, "and it's climbing." Store supervisor Dean Ringelberg added: "When it rains, all our business is drive-thru."

Unlike most fast-food operations, Phillips serves only fresh products, not frozen. Food costs are therefore "higher than we'd like," said Wall.

Labor costs at Phillips, which employs 18 part-time workers and three full-time, are also "higher than acceptable," Wall said. "But as volume increases, labor costs will come down," he added.

The newest Phillips carries the same items as its seven sister sites in Ocean City, Md., Baltimore and Norfolk, but the prices are more in line with those of other fast-food chains—from $2.95 for oysters and french fries or shrimp and fries to $8.95 for a jumbo seafood platter. Most sandwiches run between $5.95 and $6.95.

Among the most popular seafood specialties are fresh crab cakes, soft crab sandwiches ($2.95), fried oysters on a roll, steamed shrimp, mussels, hard-shell clams, scallops and a seafood salad of the day.

Phillips
EXPRESS

Inside a Phillips seafood unit in Baltimore.

New chain at Benihana?

Frozen line boosts sales

By Marilyn Alva

MIAMI — Charged by an infusion of $42 million from its new frozen-food line and a redirected advertising campaign that has contributed to a 7% increase in per-unit sales at its Japanese steakhouses, Benihana is poised on the brink of an expansion drive that could include the rollout of an altogether new chain of seafood restaurants.

"We're very strong right now and probably on a couple of thresholds," said Glen Simoes, senior vice president of Benihana National Corp. and parent Benihana of Tokyo Inc.

Benihana executives are banking that a $1.8 million "prototype" seafood restaurant they expect to open early next month in North Miami Beach will be the springboard needed to open other "Big Splash" restaurants, or "seafood emporiums," nationwide.

"If it works out the way we expect, we will move on it quickly," said Simoes of the new Big Splash restaurant. He said a rollout of Big Splashes could equal or surpass those restaurants in the Benihana steakhouse chain, which now number 47.

Benihana

Operates 47 Japanese-style steakhouses (8 franchised).

Revenues (fiscal 1985) $67 million

New Earnings: $3.1 million

Stock Traded: Over the Counter

Price Range: 52-week: $21-$11

Benihana executives attribute the public's growing infatuation with fresh seafood as the impetus behind their decision to launch the new concept. "It's the way the American public seems to be moving," said Simoes, who called the move "a trend."

The company, Simoes said, still believes that people are eating as much steak as ever. He noted that head counts are up at their steakhouses.

"Public demand," Simoes said, was

*(See **BENIHANA**, page 205)*

StratAmerica selling 10 Shari's units

By Alan Liddle

PORTLAND, Ore. — Shari's, the 34-unit coffee shop chain purchased earlier this year by StratAmerica Corp., and headed by Sam D. Battistone, has reached a tentative agreement to sell 10 units scattered throughout the West to a company run by Battistone's brother.

Sam D. Battistone was twice president of the now-defunct Sambo's coffee shop chain that his father, Sam Sr., and Newell Bohnett co-founded in 1957. He is now president of StratAmerica, based in Salt Lake City. In addition to owning Shari's, StratAmerica has a 50% interest in the Utah Jazz professional basketball team, is involved in publishing and is a co-franchisee of Steve's Ice Cream of Utah.

StratAmerica has signed a letter of intent to sell the units and enter into a franchise agreement with Restaurants Etc. Inc. of Santa Barbara. Larry Hatfield, Shari's president, said that with the assumption of liabilities, the sale price is about $1 million. Monthly royalty payments are a part of the franchise agreement, he said.

J. Roger Battistone, Sam D. Battistone's brother, is president of Restaurants Etc., which owns and operates 14 restaurants in California, Arizona and New Mexico. Restaurants Etc.'s three concepts are the Bull Market Butcher Shop, Heidi's Café and Bakery and Miki's Family Café.

Selling off the 10 units in California; Arizona, Wyoming, Colorado and Texas would permit Shari's management to focus its attention on Oregon and Washington, where 23 of the chain's 24-hour units are located. While eight of the restaurants being sold are "profitable," Hatfield said, it has been difficult to manage them because of their distance from the company's headquarters in Portland.

Hatfield said that in addition to the proposed franchise agreement with Restaurants Etc., Shari's has a single-unit arrangement with an operator in Totem Lake, Wash.

"There are no plans at this time for more [franchise agreements]," he said, indicating the remaining units and new units planned for the near future are, or will be, a reasonable distance from the corporate offices.

*(See **SHARI'S**, page 205)*

Nation's
Restaurant News

FOCUS

CHAIN ANALYSIS/THE TOP 100

McDonald's ☐ Burger King ☐ Kentucky Fried Chicken ☐ Wendy's ☐ Hardee's ☐ Pizza Hut ☐ Marriott Food Service Mgt. ☐ Dairy Queen ☐ ARA Services ☐ Big Boy ☐ Domino's ☐ Sheraton ☐ Denny's ☐ Holiday Inn ☐ Hilton ☐ Red Lobster ☐ Taco Bell ☐ Saga ☐ Arby's ☐ Service America ☐ Marriott Hotel ☐ Long John Silver's ☐ Ponderosa ☐ Church's ☐ Jack-in-the-Box ☐ Dunkin' Donuts ☐ Shoney's ☐ 7-Eleven ☐ Roy Rogers ☐ Sizzler ☐ Baskin-Robbins ☐ Western Sizzlin' ☐ Canteen ☐ Bonanza ☐ Friendly Ice Cream ☐ Westin ☐ Howard Johnson's Restaurant ☐ Chi-Chi's ☐ Dobbs ☐ Bennigan's ☐ K mart ☐ T.G.I. Friday's ☐ Sky Chefs ☐ Carl's Jr ☐ Popeye's ☐ El Torito ☐ Rax ☐ Godfather's ☐ ShowBiz/Chuck E. Cheese's ☐ Odgen ☐ Little Caesar ☐ Stuart Anderson's ☐ Sonic Drive-In ☐ Morrison's ☐ Steak and Ale ☐ White Castle ☐ Perkins ☐ Golden Corral ☐ Captain D's ☐ Pizza Inn ☐ Quality Inn ☐ Ground Round ☐ Ramada Inn ☐ Bojangles' ☐ Greyhound Food Management ☐ International House of Pancakes ☐ Disneyland/Disney World ☐ Whataburger ☐ Furr's ☐ Delaware North ☐ Po Folks ☐ Shakey's ☐ Grandy's ☐ Piccadilly ☐ Quincy's ☐ Wyatt ☐ Luby's ☐ Carvel ☐ Western Steer ☐ Hyatt Hotel ☐ Custom Management ☐ Village Inn ☐ Del Taco ☐ Round Table Pizza ☐ Winchell's ☐ Marie Callender's ☐ Krystal ☐ A&W ☐ Country Kitchen ☐ Seiler ☐ Waffle House ☐ Szabo ☐ Chick-fil-A ☐ Tastee Freeze ☐ F. W. Woolworth ☐ Mister Donut ☐ Mr. Steak ☐ Naugles ☐ York Steak House ☐ Brown Derby

NRN's Top 100 Chains are boosting systemwide sales at a scorching 15% pace this year, to $67 billion, cornering more than 44¢ of every food dollar spent dining out. More than 8,000 new units are being opened this year by the *NRN* Top 100 Chains. But sales per unit have slowed to half of last year's growth rate.

FOCUS | NRN

COVER STORY

THE NRN *TOP 100: BATTLE OF THE BIGGEST*

By Rick Telberg

Instead of recoiling in the face of slowed industrywide growth, the nation's largest and most powerful food-service operators are seizing the opportunity to trample smaller competitors underfoot by accelerating expansion.

The annual *Nation's Restaurant News* rankings of the Top 100 Chains and the Top 100 Companies show, in a year when the commercial food-service market is growing 7%, to $151.5 billion, the gargantuans are stampeding ahead at more than twice the pace.

The *NRN* Top 100's are winning an ever larger share of the marketplace by building or acquiring more units, more productivity, than is the industry as a whole. Within the Top 100 elite, meanwhile, vicious battles are being waged to earn winning positions in a consolidating market.

Key findings from *NRN*'s Chain Analysis, Part One, include:

- The Top 100 Chains are growing at a 15% rate in systemwide sales. By the end of the year, they will have rung up $67 billion. Last year, according to revised *NRN* estimates, the Top 100 Chains grossed $58.1 billion, a 12% increase over the 1983 figure.
- The top 25 of the Top 100 chains are leading the charge. The 25 biggest chains are growing at a 17% rate, up from 1984's 13% pace. But the bottom 75 are plugging along at less than 12% this year, about the same as 1984's rate.
- The Top 100 Chains are capturing 44¢ of every dining-out dollar this year, up from 41¢ in 1984 and 40¢ in 1983.
- The top 25 of the Top 100 Chains, were economic and marketing power is concentrated, are getting 30¢ of every dining-out dollar, up from 27¢ last year and 26¢ the year before.
- The Top 100 Chains are opening 8,255 new restaurants, hotel properties or management accounts this year, or almost one for every hour in the day. This year's 9% physical-expansion rate outstrips by half 1984's revised 6% rate when 5,137 new Top 100 units began operation.
- Sales per unit at the Top 100 Chains, however, are eking out a bare 2.5% increase this year, half of last year's gain. That measure of productivity indicates, perhaps, that traffic counts remain a problem even for the biggest food-service chains.

At the Top 100 Companies:

- Food-service revenue is heading for a $44.2 billion total this year, a 17% increase that surpasses 1984's 14%.
- Share of the total food-service market is expanding to 29%, from 27% in 1984 and 26% in 1983.
- The top 25 of the Top 100 Companies control 20% of the total market, up from 18% in 1984 and 17% in 1983.
- Mergers and acquisitions account for the vaulting expansion at the top 10 fastest-growing companies.
- Thirteen of the top 25 of the Top 100 Companies have major revenue streams from businesses other than food service.

Battle of the Biggest

The arena was set for a battle of the biggest early in the year when 1984's healthy 9% industrywide sales growth was braked by a suddenly tepid economy, thriftier consumers and harsh winter weather.

"The current year is shaping up as a battle for market share within the restaurant industry," said Chris Hotze, president of a prominent Grandy's fried chicken franchise.

But executives at the biggest chains saw an opportunity. Joe Lee, president of General Mills Inc.'s restaurant group, said he was shopping for bargain-priced acquisitions. "We're just going to sit back and watch this shakeout get a little worse," he said.

The biggest of the big remain sanguine. As Fred Turner, McDonald's Corp. chief executive said, "In a period of industry consolidation, it can only accrue to the benefit of the market leader."

The public financial markets, always finely attuned to whiffs of trouble, have reacted by bidding up the stock prices of the larger companies while they decimate values at smaller, faltering ones.

Wall Street rallied the *Nation's Restaurant News* Food-Service Operators market value index by 24% in the first six months of the year. And it has surged with the overall market from there.

But a triple-index measure at Piper Jaffray & Hopwood brokerage in Minneapolis shows a dramatic, three-way split among big, medium and small companies.

Piper's index of "primary" restaurant stocks lofted 18% in the first half of 1985. But its "secondary" issues rose less than 15% and "emerging" stocks edged up a subpar 7%.

"The sleeping giants have awakened," said Piper analyst Richard Pyle. "Your larger restaurant companies are exerting a lot more muscle, especially in advertising and promotions."

McDonald's Tops the Top 100

McDonald's, the world's biggest food-service organization, tops the Top 100 rankings in systemwide sales, number of units and as a company.

This year more than 8,800 Golden Arches will reap $11.5 billion, *NRN* projects. The McDonald's chain alone accounts for almost 8% of the entire food-service industry's sales.

With hamburger chains biting off more than 15% of the total market this year, the battle for runner-up is intense.

Burger King, with systemwide sales this year of $4.52 billion, ranks as the nation's second-biggest food-service chain. It's parent, Pillsbury Co., ranks third among Top 100 Companies.

Kentucky Fried Chicken, with 6,540 outlets grossing $3.2 billion, ranks third on the Top 100 systemwide sales list.

Wendy's, at an even $3 billion, ranks fourth.

Hardee's, at $2.2 billion, is fifth, dislodging Pizza Hut, which slips to sixth place.

Second to McDonald's in number of units among the Top 100 Chains, 7-Eleven, a convenience store chain, expects 7,550 stores this year. But it sits at the bottom of the sales-per-unit rankings.

Kentucky Fried Chicken, with 6,540 outlets, ranks third in number of units.

Pizza Hut unseats Dairy Queen this year, as the pizza chain moves to fourth place in number of units.

Burger King, at sixth place in number of units and Wendy's at seventh, remain unchanged.

But Domino's zooms up from 11th to 8th as it adds 935 new pizza delivery shops.

Westin hotels, with only 52 properties grossing $466 million in food and beverage sales, tops the sales-per-unit ranking at $9 million per property.

Only Sky Chefs, an airline caterer with few but fat accounts, comes close to Westin's annual unit average. But at less than $5.5 million per account, Sky Chefs remains a distant second.

Marriott hotels, at $5.2 million each, and Hilton hotels, at $3.8 million, remain unchanged.

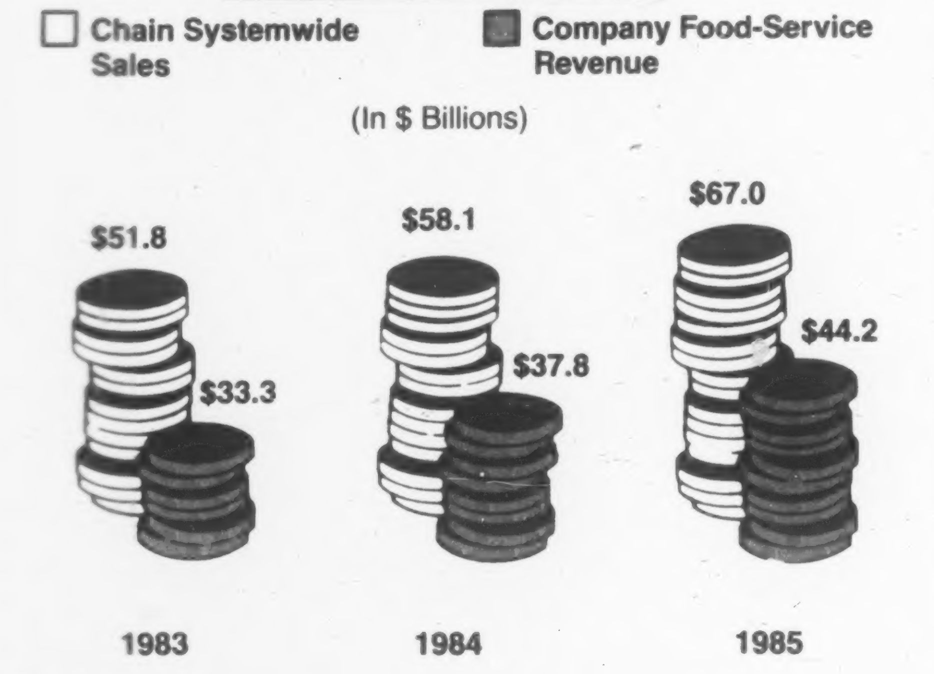
But T.G.I. Friday's, where units gross an average $3.25 million a year, ranks as the Top 100 Chain with the highest-grossing freestanding restaurants in the nation.

Top 100 Growth Leaders

In the jostling for position among the Top 100 Chains, Allegheny Bever-

*(See **TOP 100**, page F4)*

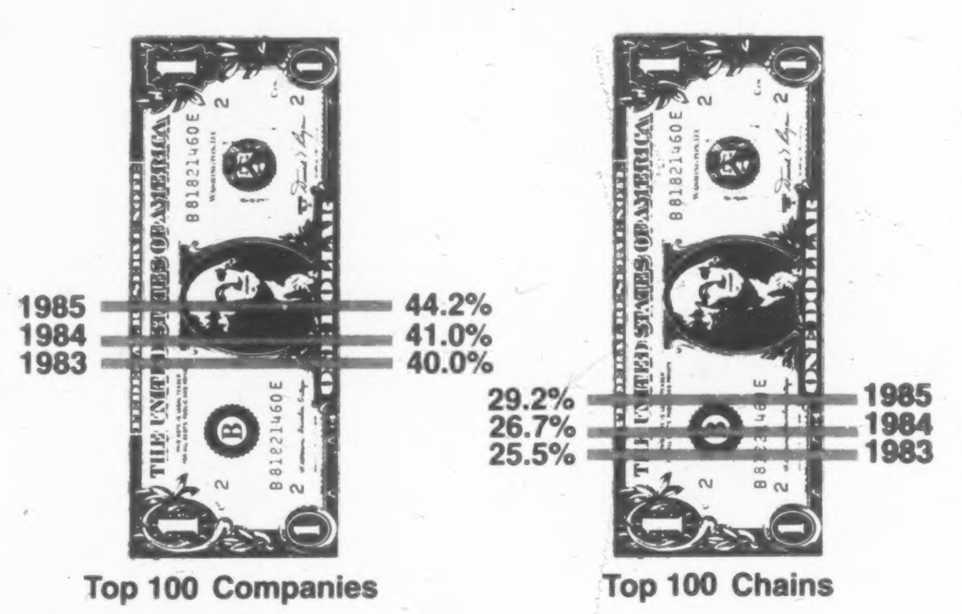
NRN *TOP 100 SURGE*



Source: *NRN* research

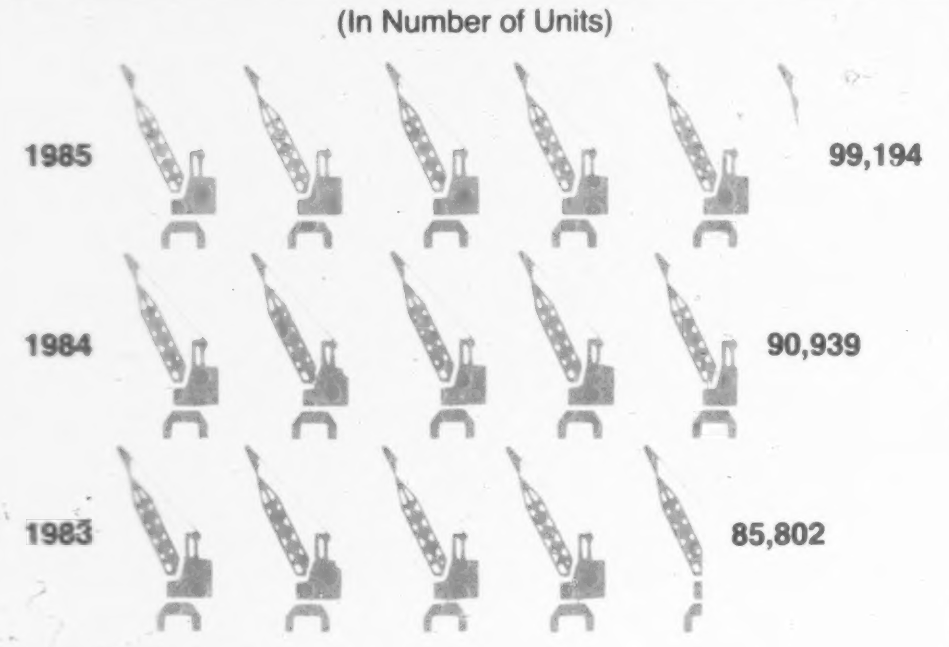
NRN *TOP 100 GAIN IN MARKET SHARE*

(As a Per Cent of Total Commercial Food-Service Industry Sales)



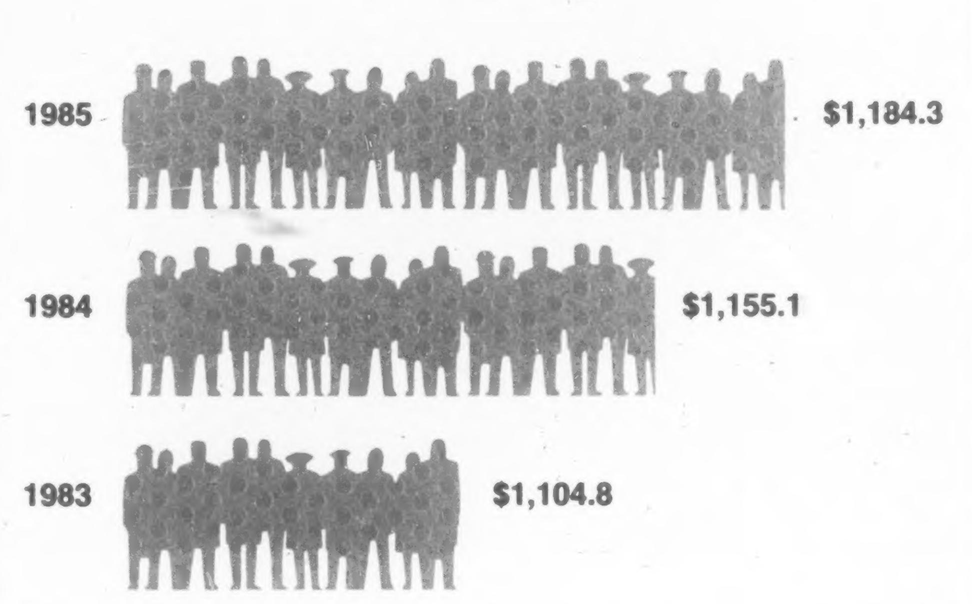
Source: *NRN* research

TOP 100 CHAINS STEP UP UNIT EXPANSION



Source: *NRN* research

SALES PER UNIT GAINS SLOW



Source: *NRN* research

TOP 100

'The Top 100 chains are capturing 44¢ out of every dining-out dollar this year.'

(Continued from page F4)

age Corp.'s Service America contract-feeding operation leads the lists of the fastest growing in both systemwide sales and unit expansion.

Service America's acquisition-fueled 132% sales gain this year propels it upward 26 notches to 20th place in both the systemwide sales and the number of units rankings.

Allegheny Beverage Corp., which tops the Top 100 Companies revenue-growth list, has assembled Service America from more than a dozen acquisitions, including Macke and Servomation.

But Service America's sales per unit, reflecting dilutive new accounts, remained at $642,000 for the second year, after declining from $1.15 million in 1983, according to *NRN* estimates.

Allegheny Beverage's Service America was not alone. Among the industry's major segments, Top 100 contract feeders are growing the fastest this year.

With the consolidation that is symptomatic of a stagnating market, Top 100 contract-feeding chains are merging and acquiring each other to yield a 24% sales increase for the survivors. Last year, it was a scorching 42% pace.

Marriott Corp.'s food-service management division now includes much of Gladieux and Service Systems. Ogden Corp. bought an airline catering operation from ARA Holding Co.

Top 100 pizza chains are increasing systemwide sales by 23% this year. Though dominated by Pizza Hut and stalled by Godfather's, the segment is home to Domino's, which will almost double systemwide sales and increase its store count by half this year.

Top 100 by Segments

Top 100 burger chains, steadied by the smooth strategies of corporate giants, figure to match last year's 16% sales gain again this year, according to *NRN*. Wendy's is the fastest-growing burger chain, with a projected sales gain of 24%.

Top 100 dinnerhouse chains, their sales stalled to a still-healthy 11% gain last year, will surge this year with a 14% sales rise, as they learn to cope with lighter eaters and fewer heavy drinkers. El Torito is moving the fastest.

Top 100 snack chains, largely on the coattails of a rebounding Dairy Queen, will see a 14% sales increase this year, after less than 2% in 1984.

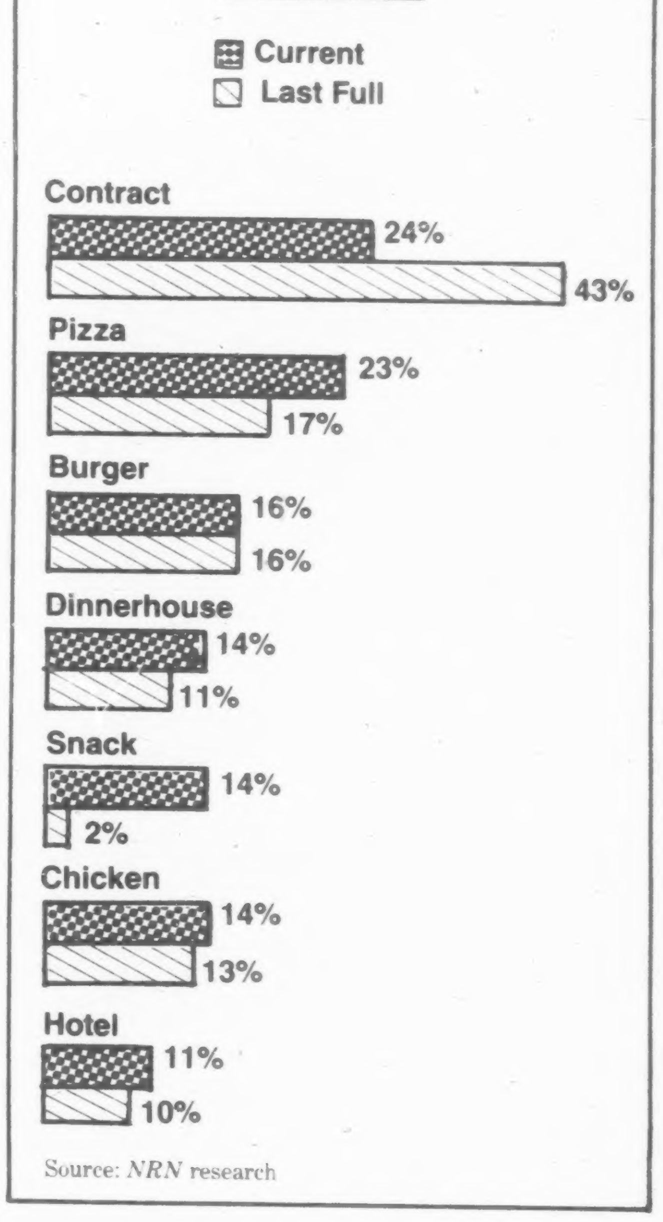
Top 100 chicken chains, led by Bojangles' 43% sales gain, are slated for 14% growth, up one percentage point from 1984.

Led by a projected 27% systemwide sales increase at Quality Inns, Top 100 hotel chain food and beverage sales will widen 11% this year, up from 10% in 1984.

Po Folks, with a 39% sales rise, is leading the Top 100 family restaurant chains to 11% gains, up from less than 1% last year, a year marked by the secession of Shoney's from the Big Boy system.

Top 100 family steakhouses, however, are slated for a slowdown. Their 10% gains this year pale in comparison to 1984's 14% rate. Golden Corral, nevertheless, expects a 34% increase, according to *NRN*.

MAJOR SEGMENTS RANKED BY SYSTEMWIDE SALES GROWTH



Source: *NRN* research

The NRN Top 100: What it is, how to use it

Editor's Note

This is one of the most important management tools in the food-service business—*The Nation's Restaurant News* Top 100: Chain Analysis, Part One.

Chain Analysis, Part Two, examining the pricing trends and performances of specific menu items for major segments of the industry, will appear in the next issue.

The Top 100 ranks the nation's biggest food-service operators four ways. So, at a glance, you can glean a clear picture of the industry.

In addition, *NRN* editors provide in-depth analyses of the major segments, explaining what is happening and why. Their articles include key pricing information at selected chains.

Four comprehensive tables anchor this special issue. They are:

- The Top 100 Chains, Ranked by Systemwide Food-Service Sales,
- The Top 100 Chains, Ranked by Number of Units,
- The Top 100 Chains, Ranked by Sales per Unit, and
- The Top 100 Companies, Ranked by Food-Service Revenue.

All of the rankings are based on the performances *NRN* expects from the operators this fiscal year.

The Current Fiscal Year, in most cases, ends this coming December. But some others stretch as far as July 1986. The Last Full Year ended from June 1984 to July 1985. The Previous Year, June 1983 to July 1984.

All figures in the Last Full Year have been revised, so they are not comparable to last year's *NRN* Top 100. In so doing, all 1984 rankings have been revised, including only the Chains and Companies that make the 1985 Top 100.

The ranking on the Number of Units and Sales Per Unit tables was drawn exclusively from the Systemwide Sales tally. So if a chain fell shy of the Systemwide Sales Top 100, it is not included on the Number of Units and Sales Per Units Top 100s.

To provide a crystal-clear picture of the commercial food-service industry, *NRN* defines food-service sales and revenue strictly.

The definition excludes: income from rooms at hotels, from vending machines at contract feeders, from intercompany transfers at airlines that cater their own in-flight meals and from manufacturing or distribution operations at companies that sell to other companies.

In the case of company revenue, however, all revenue is included that stems from operating a food-service business, including: franchise and royalty income, technical assistance to franchisees, the routine sale of real estate and interest income earned to finance expansion or continuing operations.

Units are defined as individual restaurants. At hotels they are properties; at contract feeders, accounts.

To eliminate the sales surges of newly opened units, Sales Per Unit are based on units that have been open for at least one year. The measure is sometimes called same-store or comparable-unit sales.

Market Share Rankings, a special feature, shows dramatically the growing importance of the biggest operators. The figure is calculated from an *NRN* estimate of the nation's total commercial food-service sales, which, in 1985, is projected to be $151.5 billion. In 1984, *NRN* estimates $149.9 billion and, in 1983, $130.2 billion.

—Rick Telberg

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A&W F7, F17
ARA Services F6, F55
Arby's F6, F17
Baskin-Robbins F6, F30
Bennigan's F6, F35
Big Boy F6, F40
Bojangles' F7, F21
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Burger King F6, F17
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Custom Management F7, F55
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Del Taco F7
Delaware North F7, F55
Denny's F6, F40
Disneyland/Disney World F7
Dobbs F6, F55
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El Torito F6, F35
F. W. Woolworth F7, F62
Friendly Ice Cream F6, F30
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Greyhound Food Management F7, F55
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Marriott Food Service Mgt. F6, F55
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Village Inn F7, F40
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TOP 100 CHAINS: Ranked by Systemwide Food-Service Sales

Rank		Chain	Chain Headquarters	Concept	Parent Company	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)			Market Share
1985	1984						Current	Last Full	Previous	
1	1	**McDonald's**	Oak Brook, Ill.	Burger	McDonald's Corp.	Dec.	**$11,500.0**	$10,000.0	$8,700.0	7.59%
2	2	**Burger King**	Miami, Fla.	Burger	Pillsbury Co.	May	**4,520.0**	3,990.0	3,400.0	2.98
3	3	**Kentucky Fried Chicken[1]**	Louisville, Ky.	Chicken	R. J. Reynolds Industries Inc.	Dec.	**3,200.0**	2,800.0	2,600.0	2.11
4	4	**Wendy's**	Dublin, Ohio	Burger	Wendy's Int'l Inc.	Dec.	**3,000.0**	2,420.0	1,920.0	1.98
5	6	**Hardee's**	Rocky Mount, N.C.	Burger	Imasco Ltd.	March	**2,200.0**	1,800.0	1,600.0	1.45
6	5	**Pizza Hut**	Wichita, Kan.	Pizza	PepsiCo Inc.	Dec.	**2,150.0**	1,870.0	1,600.0	1.42
7	9	**Marriott Food Service Mgt.**	Bethesda, Md.	Contract	Marriott Corp.	Dec.	**1,550.0**	1,111.3	950.6	1.02
8	7	**Dairy Queen**	Minneapolis, Minn.	Ice Cream	International Dairy Queen Inc.	Nov.	**1,520.0**	1,250.0	1,300.0	1.00
9	8	**ARA Services**	Philadelphia, Pa.	Contract	ARA Holding Co.	Dec.	**1,312.7**	1,243.1	1,172.3	0.87
10	10	**Big Boy**	Glendale, Calif.	Fam. Rest.	Marriott Corp.	Dec.	**1,210.0**	1,100.0	1,400.0	0.80
11	23	**Domino's**	Ann Arbor, Mich.	Pizza	Domino's Pizza Inc.	Dec.	**1,200.0**	626.0	355.0	0.79
12	11	**Sheraton**	Boston, Mass.	Hotel	ITT Corp.	Dec.	**1,196.0**	1,095.0	1,004.0	0.79
13	12	**Denny's[2]**	La Mirada, Calif.	Fam. Rest.	DHI Corp.	June	**1,164.8**	1,060.0	975.0	0.77
14	13	**Holiday Inn**	Memphis, Tenn.	Hotel	Holiday Corp.	Dec.	**990.0**	893.1	835.0	0.65
15	15	**Hilton**	Beverly Hills, Calif.	Hotel	Hilton Hotel Corp.	Dec.	**987.0**	812.3	717.0	0.65
16	14	**Red Lobster**	Orlando, Fla.	Dinnerhouse	General Mills Inc.	May	**938.8**	827.0	775.0	0.62
17	19	**Taco Bell**	Irvine, Calif.	Taco	PepsiCo. Inc.	Dec.	**873.0**	710.0	570.0	0.58
18	16	**Saga**	Menlo Park, Calif.	Contract	Saga Corp.	June	**866.5**	777.7	710.5	0.57
19	17	**Arby's**	Atlanta, Ga.	Roast Beef	Royal Crown Cos.	Dec.	**825.0**	760.0	657.0	0.54
20	46	**Service America**	Cheverly, Md.	Contract	Allegheny Beverage Corp.	March	**770.0**	332.3	237.6	0.51
21	18	**Marriott Hotel**	Bethesda, Md.	Hotel	Marriott Corp.	Dec.	**744.0**	729.3	633.6	0.49
22	21	**Long John Silver's**	Lexington, Ky.	Fish	Jerrico Inc.	June	**716.0**	643.4	602.3	0.47
23	20	**Ponderosa[3]**	Dayton, Ohio	Fam. Steak.	Ponderosa Inc.	Feb.	**662.5**	694.7	595.9	0.44
24	22	**Church's[4]**	San Antonio, Tex.	Chicken	Church's Fried Chicken Inc.	Dec.	**650.0**	633.0	548.0	0.43
25	24	**Jack-in-the-Box**	San Diego, Calif.	Burger	Ralston Purina Co.	Sept.	**621.2**	575.2	531.7	0.41
26	25	**Dunkin' Donuts**	Braintree, Mass.	Doughnut	Dunkin' Donuts Inc.	Oct.	**594.0**	532.1	475.8	0.39
27	27	**Shoney's**	Nashville, Tenn.	Fam. Rest.	Shoney's Inc.	Oct.	**590.0**	514.3	424.5	0.39
28	26	**7-Eleven[5]**	Dallas, Tex.	C-Store	Southland Corp.	Dec.	**570.0**	528.0	486.0	0.38
29	28	**Roy Rogers**	Bethesda, Md.	Burger	Marriott Corp.	Dec.	**545.0**	483.3	428.0	0.36
30	30	**Sizzler[6]**	Los Angeles, Calif.	Fam. Steak.	Collins Foods Int'l Inc.	April	**535.0**	460.0	384.0	0.35
31	29	**Baskin-Robbins**	Glendale, Calif.	Ice Cream	Allied-Lyons PLC.	Dec.	**519.0**	470.0	455.0	0.34
32	36	**Western Sizzlin'**	Augusta, Ga.	Fam. Steak.	Western Sizzlin Steak Houses Inc.	Oct.	**500.0**	400.0	300.0	0.33
33	31	**Canteen**	Chicago, Ill.	Contract	Transworld Corp.	Dec.	**499.7**	442.2	369.5	0.33
34	34	**Bonanza[7]**	Dallas, Tex.	Fam. Steak.	USA Cafes Inc.	Sept.	**475.6**	425.0	386.0	0.31
35	33	**Friendly Ice Cream**	Wilbraham, Mass.	Fam. Rest.	Hershey Food Corp.	Dec.	**473.3**	427.1	383.5	0.31
36	35	**Westin**	Seattle, Wash.	Hotel	UAL Inc.	Dec.	**465.0**	411.0	350.0	0.31
37	32	**Howard Johnson's Restaurant**	North Quincy, Mass.	Fam. Rest.	Imperial Group PLC.	Oct.	**460.5**	438.4	434.6	0.30
38	43	**Chi-Chi's**	Louisville, Ky.	Dinnerhouse	Chi-Chi's Inc.	April	**425.0**	355.0	263.0	0.28
39	39	**Dobbs**	Memphis, Tenn.	Contract	Carson Pirie Scott & Co.	Feb.	**421.0**	368.9	343.8	0.28
40	37	**Bennigan's**	Dallas, Tex.	Dinnerhouse	Pillsbury Co.	May	**420.0**	375.0	343.8	0.28
41	38	**K mart**	Troy, Mich.	In-store	K mart Corp.	Jan.	**395.0**	373.0	300.0	0.26
42	44	**T.G.I. Friday's**	Dallas, Tex.	Dinnerhouse	TGI Friday's Inc.	Dec.	**373.8**	333.5	278.9	0.25
43	45	**Sky Chefs**	Arlington, Tex.	Contract	AMR Corp.	Dec.	**365.3**	332.3	294.4	0.24
44	42	**Carl's Jr.**	Anaheim, Calif.	Burger	Carl Karcher Enterprises Inc.	Jan.	**358.7**	335.2	289.8	0.24
45	47	**Popeyes**	Jefferson, La.	Chicken	A. Copeland Enterprises Inc.	Dec.	**353.0**	303.0	230.0	0.23
46	57	**El Torito[8]**	Irvine, Calif.	Dinnerhouse	El Torito Restaurants Inc.	Dec.	**332.6**	250.1	210.7	0.22
47	54	**Rax**	Columbus, Ohio	Roast Beef	Rax Restaurants Inc.	July	**329.4**	270.0	216.4	0.22
48	40	**Godfather's[9]**	Omaha, Neb.	Pizza	Pillsbury Co.	Dec.	**324.0**	345.0	350.0	0.21
49	41	**ShowBiz/Chuck E. Cheese's[10]**	Dallas, Tex.	Pizza	Brock Hotel Corp.	Dec.	**320.0**	340.0	377.0	0.21
50	50	**Ogden[11]**	New York, N.Y.	Contract	Ogden Corp.	Dec.	**312.5**	279.0	225.0	0.21
51	62	**Little Caesar**	Farmington Hills, Mich.	Pizza	Little Caesar Enterprises Inc.	Dec.	**310.0**	227.0	175.0	0.20

EXPLANATION OF COLUMN HEADINGS

Rank: 1985 Rank is based on Current Fiscal Year Systemwide Sales. Data for Last Full Fiscal Year, which yields the 1984 Rank, has been revised. So this year's 1984 rankings are not comparable to the rankings appearing in the *Nation's Restaurant News* of Aug. 13, 1984.

Chain: The name of the restaurant, hotel, or contract-feeding division as it appears on publicly visible signage, logos and trademarks.

Chain Headquarters: The location of the central operating offices of the Chain, which sometimes differs from the location of the central offices of a Chain's Parent Company.

Concept: Chains are classified based on their popular perception, best-selling entree, or market positioning. Abbreviations: Fam. Rest. is family restaurant or coffee shop; Fam. Steak. is family steakhouse or budget steakhouse.

Parent Company: The owner of the Chain's trademarks, copyrights, or licensing rights. Often the franchisor.

Fiscal Year Ends: The month in which the fiscal year terminates, often correlating to that of the Parent Company.

Systemwide Sales: Net sales at all units operating under the Chain name. Includes both company-owned and franchised units. Excludes franchise fees, interest income, manufacturing and distribution sales, and other revenue not directly resulting from food and beverage sales to the public.

Current Fiscal Year: The 12-month accounting period which is under way as of Aug. 12, 1985. Most often it is calendar year 1985.

Last Full Fiscal Year: The fiscal year most recently completed prior to Aug. 12, 1985. Most often it is calendar 1984.

Previous Fiscal Year: The year before the Last Full Fiscal Year. Most often, calendar 1983.

Market Share: The Current Fiscal Year's Systemwide Sales expressed as a percentage of the nation's total commercial food-service sales in calendar 1985, which *NRN* estimates at $151,508,100,000.

FOOTNOTES

[1] Excludes about 700 units operating in Canada that are not licensed by KFC Corp.

[2] DHI Corp. was formerly Denny's Inc. until a management buyout in January. Estimates are based on the prospectus at the time, which does not reflect a new franchising program, possible sale or purchase of assets or the effect of the leveraged buyout.

[3] Includes fewer than 20 Casa Lupita restaurants that have no material effect on the results.

TOP 100 CHAINS: Ranked by Systemwide Food-Service Sales

Rank 1985	Rank 1984	Chain	Chain Headquarters	Concept	Parent Company	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions) Current	Last Full	Previous	Market Share
52	51	**Stuart Anderson's**	Menlo Park, Calif.	Dinnerhouse	Saga Corp.	June	$ 303.7	$ 276.7	$ 254.2	0.20%
53	48	**Sonic Drive-In**	Oklahoma City, Okla.	Burger	Sonic Industries Inc.	Aug.	302.5	283.1	262.0	0.20
54	53	**Morrison's**	Mobile, Ala.	Cafeteria	Morrison Inc.	June	290.0	275.0	274.0	0.19
55	52	**Steak and Ale**	Dallas, Tex.	Dinnerhouse	Pillsbury Inc.	May	288.3	275.0	264.2	0.19
56	61	**White Castle**	Columbus, Ohio	Burger	White Castle Systems Inc.	Dec.	286.0	229.0	210.0	0.19
57	49	**Perkins**[12]	Memphis, Tenn.	Fam. Rest.	Perkins Restaurants Inc.	Dec.	285.0	283.0	270.0	0.19
58	69	**Golden Corral**	Raleigh, N.C.	Fam. Steak.	Investors Management Corp.	Dec.	275.0	205.0	172.0	0.18
59	59	**Captain D's**	Nashville, Tenn.	Fish	Shoney's Inc.	Oct.	272.0	236.1	216.7	0.18
60	56	**Pizza Inn**[13]	Dallas, Tex.	Pizza	Pizza Inn Inc.	Dec.	270.0	252.0	237.0	0.18
61	65	**Quality Inn**	Silver Spring, Md.	Hotel	Manor Care Inc.	May	270.0	212.2	200.0	0.18
62	58	**Ground Round**	North Quincy, Mass.	Dinnerhouse	Imperial Group PLC.	Dec.	257.1	240.4	228.4	0.18
63	55	**Ramada Inn**	Phoenix, Ariz.	Hotel	Ramada Inns Inc.	Jan.	257.4	253.1	250.0	0.17
64	78	**Bojangles'**	Charlotte, N.C.	Chicken	Horn & Hardart Co.	Dec.	250.0	175.0	129.0	0.17
65	67	**Greyhound Food Mgt.**[14]	Phoenix, Ariz.	Contract	Greyhound Corp.	Dec.	247.8	210.0	190.0	0.16
66	60	**Int'l House of Pancakes**	North Hollywood, Calif.	Fam. Rest.	IHOP Corp.	Dec.	241.0	230.5	214.3	0.16
67	63	**Disneyland/Disney World**	Burbank, Calif.	Theme Park	Walt Disney Productions Inc.	Sept.	240.0	223.8	224.5	0.16
68	68	**Whataburger**	Corpus Christi, Tex.	Burger	Whataburger Inc.	Sept.	226.0	210.0	175.0	0.15
69	64	**Furr's**	Lubbock, Tex.	Cafeteria	K mart Corp.	Dec.	225.1	215.0	205.0	0.15
70	70	**Delaware North**	Buffalo, N.Y.	Contract	Delaware North Cos. Inc.	Dec.	225.0	200.0	175.0	0.15
71	85	**Po Folks**	Nashville, Tenn.	Fam. Rest.	Po Folks Inc.	Sept.	222.0	159.4	90.0	0.15
72	66	**Shakey's**	Irving, Tex.	Pizza	Shakey's Inc.	Sept.	218.0	211.0	210.0	0.14
73	80	**Grandy's**	Lewisville, Tex.	Chicken	Saga Corp.	June	210.1	172.2	99.9	0.14
74	75	**Piccadilly**	Baton Rouge, La.	Cafeteria	Piccadilly Cafeterias Inc.	June	210.0	185.0	174.0	0.14
75	79	**Quincy's**	Spartanburg, S.C.	Fam. Steak.	Transworld Corp.	Dec.	209.9	174.9	138.3	0.14
76	71	**Wyatt**	Dallas, Tex.	Cafeteria	Wyatt Cafeterias Inc.	Dec.	200.0	192.0	175.0	0.13
77	81	**Luby's**	San Antonio, Tex.	Cafeteria	Luby's Cafeterias Inc.	Aug.	198.1	170.8	140.0	0.13
78	72	**Carvel**	Yonkers, N.Y.	Ice Cream	Carvel Corp.	Dec.	198.0	190.3	182.9	0.13
79	74	**Western Steer**[15]	Claremont, N.C.	Fam. Steak.	Western Steer-Mom 'n' Pop's Inc.	Feb.	196.6	187.3	179.0	0.13
80	73	**Hyatt Hotel**[16]	Rosemont, Ill.	Hotel	Hyatt Hotel Corp.	Dec.	195.0	187.5	180.0	0.13
81	77	**Custom Management**	Kingston, Pa.	Contract	Custom Management Corp.	June	192.5	175.0	175.0	0.13
82	86	**Village Inn**	Denver, Colo.	Fam. Rest.	Vicorp Restaurants Inc.	Oct.	189.0	157.3	143.0	0.12
83	94	**Del Taco**[17]	Dallas, Tex.	Taco	W. R. Grace & Co. Inc .	Dec.	186.5	148.5	126.6	0.12
84	84	**Round Table Pizza**	San Francisco. Calif.	Pizza	Round Table Franchise Corp.	Dec.	185.1	162.0	134.2	0.12
85	76	**Winchell's**	La Mirada, Calif.	Doughnut	DHI Corp.	June	185.0	183.0	182.1	0.12
86	82	**Marie Callender's**	Long Beach, Calif.	Fam. Rest.	Marie Callender Pie Shops Inc.	Dec.	175.7	165.0	155.0	0.12
87	83	**Krystal**	Chattanooga, Tenn.	Burger	Krystal Co.	Dec.	172.0	162.0	150.0	0.11
88	88	**A&W**	Dearborn, Mich.	Burger	A&W Restaurants Inc.	Dec.	170.0	155.0	164.0	0.11
89	92	**Country Kitchen**	Minneapolis, Minn.	Fam. Rest	Carlson Cos.	Dec.	165.0	150.0	130.0	0.11
90	96	**Seiler**	Waltham, Mass.	Contract	Sodexho S.A.	Aug.	164.1	147.9	126.6	0.11
91	90	**Waffle House**	Norcross, Ga.	Fam. Rest.	Waffle Houses Inc.	Dec.	163.8	152.1	140.0	0.11
92	93	**Szabo**	Oak Brook, Ill.	Contract	Oak Brook Consolidated Inc.	Sept.	161.6	149.5	138.3	0.11
93	89	**Chick-fil-A**	Atlanta, Ga.	Chicken	Chick-fil-A Inc.	Dec.	160.0	153.0	134.6	0.11
94	91	**Tastee Freeze**	Utica, Mich.	Ice Cream	Tastee Freeze Int'l Inc.	Dec.	156.1	151.0	146.0	0.10
95	87	**F. W. Woolworth**	New York, N.Y.	In-store	F. W. Woolowrth & Co. Inc.	Jan.	155.0	155.0	155.0	0.10
96	99	**Mister Donut**	Minneapolis, Minn.	Doughnut	International Multifoods Corp.	Feb.	151.1	134.5	116.4	0.10
97	95	**Mr. Steak**	Denver, Colo.	Fam. Steak.	Mr. Steak Inc.	Dec.	147.0	148.0	170.0	0.10
98	100	**Naugles**	Fullerton, Calif.	Taco	Naugles Inc.	June	144.8	127.3	119.5	0.10
99	97	**York Steak House**	Columbus, Ohio	Fam. Steak.	General Mills Inc.	May	142.9	141.9	139.8	0.09
100	98	**Brown Derby**	Cleveland, Ohio	Dinnerhouse	Brown Derby Inc.	Dec.	142.0	140.0	139.0	0.09
TOTAL Top 100 Chains							$67,023.1	$58,125.1	$51,768.1	44.24%

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[4] Includes 42 G. W. Jr's, a fast-service burger chain, 14 Jeeper's, a gourmet hamburger chain and one Catfish Crossing, all of which do not materially effect the results.

[5] Assumes that fast-food sales are 11% of total merchandise revenue.

[6] Acquired 80 Rustler steakhouses from Tenly Enterprises Inc. in 1985. Figures reflect conversion of 15-20 of these units to Sizzlers.

[7] Current fiscal year ends September 1986. Figures include nine Culpepper's units that have no material effect on the results.

[8] Includes all Mexican dinnerhouses, the majority of which are El Torito. El Torito Restaurants Inc. is 72.9% owned by W. R. Grace & Co. Inc.

[9] Recently acquired by Pillsbury Co., whose fiscal year ends in May. Former parent Diversifoods' fiscal year ends in December.

[10] Parent Brock Hotel Corp. is merging its Show-Biz Pizza Place chain with Chuck E. Cheese's Pizza Time Theater, which it acquired.

[11] Excludes movie theater concession stands.

[12] Company is 20% owned by Holiday Corp.

[13] Includes about 10 J. T. McCord's gourmet hamburger restaurants that do not materially effect the results.

[14] Excludes vending, nonterminal restaurants, international.

[15] Includes about 18 other restaurants of various concepts that have no material effect on the results.

[16] Includes co-owned and managed properties.

[17] Reflects the acquisition of Taco Villa by W. R. Grace & Co. and the partial conversion of that chain.

Source: *NRN* research

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TOP 100 COMPANIES: Ranked by Food-Service Revenue

Rank		Company	Company Headquarters	Key Concepts	Fiscal Year Ends	Revenue (By Fiscal Year, in Millions)			Market Share
1985	1984					Current	Last Full	Previous	
1	1	McDonald's Corp.	Oak Brook, Ill.	McDonald's	Dec.	$ 3,700.0	$ 3,400.00	$ 3,000.0	2.44%
2	2	Marriott Corp.[1]	Bethesda, Md.	Hotels, Contract, Big Boy, Roy Rogers	Dec.	3,392.2	2,458.0	2,127.2	2.24
3	3	Pillsbury Co.[2]	Minneapolis, Minn.	Burger King, Godfather's, Bennigan's	May	3,056.5	2,095.0	1,768.7	2.02
4	4	PepsiCo Inc.	Purchase, N.Y.	Pizza Hut, Taco Bell, Boulangerie	Dec.	2,115.0	1,833.5	1,529.4	1.40
5	5	DHI Corp.[3]	La Mirada, Calif.	Denny's, Winchell's, El Pollo Loco	June	1,698.9	1,451.1	1,216.0	1.12
6	7	Saga Corp.	Menlo Park, Calif.	Contract, Stuart Anderson, Straw Hat, Grandy's	June	1,504.5	1,289.9	1,131.0	0.99
7	8	ARA Holding Co.[4]	Philadelphia, Pa.	Contract	Dec.	1,312.7	1,243.1	1,172.3	0.87
8	9	Transworld Corp.[5]	New York, N.Y.	Canteen, Hilton, Spartan Foods	Dec.	1,253.7	1,149.2	1,027.0	0.83
9	6	R. J. Reynolds Industries Inc.	Winston-Salem, N.C.	Kentucky Fried Chicken	Dec.	1,240.0	1,338.0	950.0	0.82
10	12	Wendy's International Inc.	Dublin, Ohio	Wendy's, Sisters	Dec.	1,200.0	944.8	720.4	0.79
11	10	General Mills Inc.[6]	Minneapolis, Minn.	Red Lobster, York, Olive Garden	May	1,125.8	1,140.0	1,079.7	0.74
12	11	Imasco Ltd.	Montreal, Canada	Hardee's, Casa Grisanti	March	1,100.0	1,000.0	915.0	0.73
13	27	Allegheny Beverage Corp.	Cheverly, Md.	Service America Corp.	March	770.0	332.3	237.6	0.51
14	14	Ralston Purina Co.[7]	St. Louis, Mo.	Jack-in-the-Box	Sept.	674.2	628.0	669.3	0.44
15	13	K mart Corp.	Troy, Mich.	In-Store, Furr's, Bishop's Buffet	Jan.	670.0	638.0	606.0	0.44
16	18	W. R. Grace & Co. Inc.[8]	New York, N.Y.	Del Taco, Cocos, Carrows, Houlihan's	Dec.	665.9	521.0	503.3	0.44
17	19	Jerrico Inc.	Lexington, Ky.	Long John Silver's, Jerry's	June	582.0	519.2	496.5	0.38
18	15	Church's Fried Chicken Inc.	San Antonio, Tex.	Church's, G.W. Jr.'s, Jeeper's	Dec.	575.0	545.0	464.0	0.38
19	17	Southland Corp.	Dallas, Tex.	7-Eleven	Dec.	570.0	528.0	486.0	0.38
20	22	Shoney's Inc.	Nashville, Tenn.	Shoney's, Captain D's, Lee's	Oct.	570.0	477.0	397.8	0.38
21	20	Ponderosa Inc.	Dayton, Ohio	Ponderosa, Casa Lupita	Feb.	563.3	513.3	429.1	0.37
22	16	Imperial Group PLC.[9]	London, England	HoJo's, Ground Round	Oct.	555.9	530.4	526.5	0.37
23	21	Morrison Inc.	Mobile, Ala.	Morrison, Ruby Tuesday, Contract	June	520.0	484.0	470.0	0.34
24	30	Domino's Inc	Ann Arbor, Mich.	Domino's	Dec.	500.0	320.0	191.0	0.33
25	23	Carson Pirie Scott & Co.	Chicago, Ill.	Dobbs, Steak n Egg, In-store	Feb.	470.0	437.0	410.0	0.31
26	25	UAL Inc.[10]	Elk Grove, Ill.	Westin	Dec.	466.0	411.0	350.0	0.31
27	24	Hershey Foods Corp.	Hershey, Pa.	Friendly Ice Cream	Dec.	462.4	421.1	383.5	0.31
28	36	Vicorp Restaurants Inc.	Denver, Colo.	Village Inn, Bakers Square, Sambo's	Oct.	410.0	242.3	95.6	0.27
29	26	Holiday Corp.[11]	Memphis, Tenn.	Holiday Inns, Harrah's	Dec.	402.7	406.7	388.9	0.27
30	28	AMR Corp.	Fort Worth, Tex.	Contract	Dec.	372.2	322.3	292.4	0.25
31	29	Carl Karcher Enterprises Inc.	Anaheim, Calif.	Carl's Jr.	Jan.	356.3	321.1	289.8	0.24
32	31	Collins Foods International	Los Angeles, Calif.	Sizzler, Kentucky Fried Chicken	April	350.0	305.4	259.1	0.23
33	33	T.G.I. Friday's Inc.[12]	Dallas, Tex.	T.G.I. Friday's, Dalt's	Dec.	345.4	285.0	229.5	0.23
34	32	ITT Corp.	Boston, Mass.	Sheraton Hotels	Dec.	345.0	299.0	271.0	0.23
35	35	El Torito Restaurants Inc.[13]	Irvine, Calif.	El Torito, Tequila Willie's	Dec.	332.6	250.1	210.7	0.22
36	34	Ogden Corp.	New York, N.Y.	Contract	Dec.	312.5	279.0	225.0	0.21
37	40	Investors Management Corp.	Raleigh, N.C.	Golden Corral, Oh!Brian's	Dec.	308.6	228.8	182.4	0.20
38	39	White Castle Systems Inc.	Columbus, Ohio	White Castle	Dec.	286.0	229.0	210.0	0.19
39	37	Greyhound Corp.[14]	Phoenix, Ariz.	Contract, Burger King	Dec.	277.0	235.0	213.0	0.18
40	42	Chi-Chi's Inc.	Louisville, Ky.	Chi-Chi's	April	267.2	205.7	161.7	0.18
41	38	Boddie-Noell Enterprises Inc.	Rocky Mount, N.C.	Hardee's	Sept.	250.0	232.0	210.0	0.17
42	41	Walt Disney Productions	Burbank, Calif.	Theme Parks	Sept.	240.0	223.8	224.5	0.16
43	43	Delaware North Cos.	Buffalo, N.Y.	Sportservice, Air Terminal, Oceanic Butler	Dec.	225.0	200.0	175.0	0.15
44	48	Piccadilly Cafeterias Inc.	Baton Rouge, La.	Picadilly	June	210.0	185.0	174.0	0.14
45	47	Pizza Inn Inc.	Dallas, Tex.	Pizza Inn, J. T. McCord's	Dec.	204.0	185.0	149.0	0.13
46	44	Riese Organization	New York, N.Y.	Arby's, Roy Rogers, Brew Burger, El Torito	Dec.	200.0	200.0	170.0	0.13
47	45	Wyatt Cafeterias Inc.	Dallas, Tex.	Wyatt	Dec.	200.0	192.0	175.0	0.13
48	51	Luby's Cafeterias Inc.	San Antonio, Tex.	Luby's	Aug.	200.0	174.8	144.0	0.13
49	46	Hyatt Hotels Corp.	Rosemont, Ill.	Hyatt Hotels	Jan.	195.0	187.5	180.0	0.13
50	71	Brock Hotel Corp.	Dallas, Tex.	ShowBiz Pizza, Chuck E. Cheese, Hotels	Jan.	194.7	120.3	145.1	0.13
51	49	Custom Management Corp.	Kingston, Pa.	Contract	June	192.5	175.0	190.1	0.13

EXPLANATION OF COLUMN HEADINGS

Rank: 1985 Rank is based on Current Fiscal Year Revenue. Data for Last Full Fiscal Year, which yields the 1984 Rank, has been revised. So this year's 1984 rankings are not comparable to the rankings appearing in the *Nation's Restaurant News* of Aug. 13, 1984.

Company: The name of the corporate entity which receives food-service revenue. Publicly traded subsidiaries of parent companies are listed individually.

Company Headquarters: The location of the central offices of the Company, which sometimes differs from the location of the central offices of a Company's Key Concepts.

Key Concepts: The name of the Chain or the type of food-service activity which produces the largest food-service revenues for the Company.

Fiscal Year Ends: The month in which the fiscal year terminates, often correlating to that of the Company's Key Concepts.

Revenue: Derived from food-service activities only. Includes sales from company-owned facilities, franchise and technical assistance income, gains and losses from asset divestitures and acquisitions routinely encountered in the operation of a food-service business, and interest income to finance working capital needs or expansion. Excludes manufacturing, wholesale and distribution revenue and sales generated at franchised facilities.

Current Fiscal Year: The 12-month accounting period which is under way as of Aug. 12, 1985. Most often it is calendar year 1985.

Last Full Fiscal Year: The fiscal year most recently completed prior to Aug. 12, 1985. Most often it is calendar 1984.

Previous Fiscal Year: The year before the Last Full Fiscal Year. Most often, calendar 1983.

Market Share: The Current Fiscal Year's Food-Service Revenue expressed as a percentage of the nation's total commercial food-service sales in calendar 1985, which *NRN* estimates at $151,508,100,000.

Source: All data has been developed by *NRN*, which is solely responsible for all estimates, projections and analyses.

FOOTNOTES

[1] Includes effect of Service Systems Inc., Gladieux Corp. and Star Catering acquisitions. Excludes minority stake in Farrell's Ice Cream Parlours.

[2] Includes acquisition of Diversifoods Inc. Excludes possible divestitures of any Diversifoods operations.

TOP 100 COMPANIES: Ranked by Food-Service Revenue

Rank		Company	Company Headquarters	Key Concepts	Fiscal Year Ends	Revenue (By Fiscal Year, in Millions)			Market Share
1985	1984					Current	Last Full	Previous	
52	50	**Specialty Restaurants Corp.**	Long Beach, Calif.	94th Aero Squadron, Baby Doe's	June	**$ 191.9**	$ 175.0	$ 147.8	0.13%
53	53	**Hilton Hotels Corp.**[15]	Beverly Hills, Calif.	Hilton Hotels	Dec.	**178.2**	167.5	174.2	0.12
54	52	**Shoney's South Inc.**	Memphis, Tenn.	Shoney's, Captain D's	Dec.	**175.0**	168.6	143.1	0.12
55	55	**Whataburger Inc.**	Corpus Christi, Tex.	Whataburger	Sept.	**172.2**	160.0	133.3	0.11
56	54	**Krystal Co.**[16]	Chattanooga, Tenn.	Krystal	Dec.	**172.0**	162.0	150.0	0.11
57	65	**Horn & Hardart Co.**[17]	New York, N.Y.	Bojangles', Burger King, Arby's	Dec.	**170.0**	135.9	122.2	0.11
58	63	**Bob Evans Farms Inc.**	Columbus, Ohio	Bob Evans Farms	April	**168.0**	139.9	120.1	0.11
59	61	**Carrols Corp.**	Syracuse, N.Y.	Burger King, Jo-Ann's Nut House	May	**164.3**	146.0	123.1	0.11
60	60	**Sodexho S.A.**[18]	Paris, France	Seiler's	Aug.	**164.1**	147.9	126.6	0.11
61	59	**Oak Brook Consolidated Inc.**	Oak Brook, Ill.	Szabo	Sept.	**161.6**	149.5	138.3	0.11
62	57	**Chick-Fil-A**	Atlanta, Ga.	Chick-fil-A	Dec.	**160.0**	153.0	134.0	0.11
63	70	**Elias Brothers Restaurants Inc.**	Warren, Mich.	Big Boy	Dec.	**160.0**	121.0	108.0	0.11
64	58	**Harman Management Corp.**	Los Altos, Calif.	KFC, H. Salt Esq. Fish & Chips	June	**159.9**	149.5	135.0	0.11
65	56	**F. W. Woolworth & Co. Inc.**	New York, N.Y.	In-Store, Burger King	Jan.	**155.0**	155.0	155.0	0.10
66	64	**Nestle S.A.**	Vevey, Switzerland	Stouffer, Cheese Cellar, James Tavern	Dec.	**150.0**	136.0	285.0	0.10
67	81	**Restaurant Assoc. Inds. Inc.**[19]	New York, N.Y.	Acapulco, Charlie Brown's, Mama Leone's	Dec.	**147.8**	94.2	84.6	0.10
68	76	**Po Folks Inc.**[20]	Nashville, Tenn.	Wendy's, Po Folks	Sept.	**145.0**	107.1	69.8	0.10
69	62	**Brown Derby Inc.**	Cleveland, Ohio	Brown Derby	Dec.	**142.0**	140.0	139.0	0.09
70	67	**International Dairy Queen Inc.**	Minneapolis, Minn.	Dairy Queen, Golden Skillet	Nov.	**142.0**	132.3	116.7	0.09
71	66	**Frisch's Restaurants Inc.**	Cincinnati, Ohio	Big Boy, Roy Rogers	June	**139.0**	132.7	125.6	0.09
72	69	**Naugles Inc.**	Fullerton, Calif.	Naugles	June	**138.1**	123.3	114.8	0.09
73	78	**Carlson Cos.**[21]	Minneapolis, Minn.	Country Kitchen, Radisson Hotels	Dec.	**134.5**	105.0	70.5	0.09
74	68	**Hanson Trust PLC.**	London, England	Interstate United	Sept.	**131.3**	125.0	119.0	0.09
75	74	**Rax Restaurants Inc.**	Columbus, Ohio	Rax	July	**129.4**	111.0	92.8	0.09
76	72	**Royal Crown Cos.**	Atlanta, Ga.	Arby's	Dec.	**126.4**	116.4	100.6	0.08
77	73	**Braum Ice Cream Stores Inc.**	Oklahoma City, Okla.	Braum Ice Cream	Dec.	**122.5**	112.0	90.0	0.08
78	75	**Winners Corp.**	Brentwood, Tenn.	Mrs. Winners, Wendy's	Dec.	**120.0**	108.0	88.7	0.08
79	86	**Circle K Corp.**	Phoenix, Ariz.	Circle K	April	**120.0**	90.0	51.7	0.08
80	84	**El Chico Corp.**	Dallas, Tex.	El Chico, Cactus	June	**113.1**	92.2	77.1	0.07
81	83	**Consul Restaurants Corp.**	Minneapolis, Minn.	Chi-Chi's	May	**112.8**	92.4	63.7	0.07
82	79	**Del Taco Inc.**	Costa Mesa, Calif.	Del Taco	Dec.	**112.7**	103.4	95.0	0.07
83	80	**Little Caesar Inc.**	Farmington Hills, Mich.	Little Caesar Pizza, Wendy's	Dec.	**110.0**	96.1	77.8	0.07
84	98	**Consolidated Products Inc.**[22]	Indianapolis, Ind.	Steak n Shake, Big Wheel	Sept.	**107.7**	68.7	64.5	0.07
85	87	**RTM Inc.**	Tucker, Ga.	Arby's	May	**105.0**	90.0	65.0	0.07
86	88	**International King's Table Inc.**	Eugene, Ore.	King's Table, Royal Fork	June	**105.0**	85.0	78.2	0.07
87	77	**Perkins Restaurants Inc.**[23]	Memphis, Tenn.	Perkins	Dec.	**103.6**	107.0	105.8	0.07
88	85	**Dunkin' Donuts Inc.**	Randolph, Mass.	Dunkin' Donuts	Oct.	**95.0**	90.3	81.6	0.06
89	99	**JB's Restaurants Inc.**	Salt Lake City, Utah	Big Boy	Sept.	**95.0**	68.3	53.4	0.06
90	90	**Marie Callender Pie Shops Inc.**	Long Beach, Calif.	Marie Callender's	Dec.	**91.8**	83.5	76.0	0.06
91	93	**Papa Gino's of America Inc.**	Dedham, Mass.	Papa Gino's	Sept.	**91.0**	77.5	65.0	0.06
92	92	**Sara Lee Corp.**	Chicago, Ill.	Lyon's Restaurants	June	**88.0**	78.0	72.0	0.06
93	82	**Victoria Station Inc.**	Larkspur, Calif.	Victoria Station, Bonkers	March	**86.7**	93.8	101.5	0.06
94	91	**IHOP Corp.**	North Hollywood, Calif.	Int'l House of Pancakes	Dec.	**84.0**	82.0	82.1	0.06
95	89	**Associated Hosts Inc.**	Beverly Hills, Calif.	Smuggler's Inn, Bombay Bicycle Club	Sept.	**81.8**	84.0	77.8	0.05
96	96	**Servico Inc.**	West Palm Beach, Fla.	Holiday Inn, Royce	Dec.	**76.0**	71.0	59.0	0.05
97	94	**Lifestyle Restaurants Inc.**	New York, N.Y.	Beefsteak Charlie's, Daly's Dandelion	Nov.	**75.0**	72.0	77.6	0.05
98	95	**Waffle Houses Inc.**	Norcross, Ga.	Waffle House	Dec.	**73.7**	71.5	65.8	0.05
99	97	**Marcus Corp.**	Milwaukee, Wis.	Big Boy, Roy Rogers, KFC	May	**73.1**	69.6	69.1	0.05
100	—	**Sea Galley Stores Inc.**	Mountlake Terr., Wash.	Sea Galley	Dec.	**71.8**	66.2	70.4	0.05
TOTAL: Top 100 Companies						**$44,183.7**	**$37,838.9**	**$33,261.0**	**29.16%**

[3] Formerly Denny's Inc. Company went private through a management buyout in January. Estimates are based on prospectus at the time, which does not reflect a new franchising program, possible sale or purchase of assets or the effect of the leveraged buyout.

[4] ARA Services Inc. became ARA Holding Co. after a management buyout.

[5] Excludes vending-machine sales at Canteen and room sales at Hilton International.

[6] Includes effect of possible sale of Darryl's, Good Earth and Casa Gallardo chains.

[7] The company has said it is seeking a buyer for Jack in the Box, in which case it would have no food-service revenue.

[8] Excludes El Torito Restaurants Inc., a 72.9% owned subsidiary. Also excludes effect of expected acquisition of 27 Darryl's and 25 Casa Gallardo restaurants from General Mills Inc.

[9] Excludes non-U.S. operations.

[10] Excludes in-flight feeding to United Airlines, a subsidiary.

[11] Formerly Holiday Inns Inc. Excludes Perkins Restaurants Inc. in current fiscal year, of which Holiday sold 80%.

[12] Company is 20% owned by Carlson Cos.

[13] Company is 72.9% owned by W. R. Grace & Co. Inc.

[14] Excludes foreign operations.

[15] Not to be confused with the subsidiary of Transworld Corp. which operates Hilton Hotels in foreign nations.

[16] Excludes Po Folks Inc., which is 45% owned by Krystal Co.

[17] Excludes possible effect of legal battle with Pillsbury Co. concerning Diversifoods Inc.

[18] Excludes off-shore contracts.

[19] Includes effect of the acquisition of the 60.6% of Acapulco Restaurants Inc. that company did not already own.

[20] Company is 45% owned by Krystal Co.

[21] Excludes T.G.I. Friday's, 20%-owned subsidiary.

[22] Includes effect of acquiring Sweeney's Specialty Restaurants Corp.

[23] Company is 20% owned by Holiday Corp.

Source: *NRN* research

TOP 100 CHAINS:

Ranked by Number of units

Top 100 Rank		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
1	1	McDonald's	Dec.	8,854	8,304	7,778
2	2	7-Eleven	Dec.	7,550	7,299	6,962
3	3	Kentucky Fried Chicken	Dec.	6,540	6,175	5,775
4	5	Pizza Hut	Dec.	4,837	4,593	4,300
5	4	Dairy Queen	Nov.	4,800	4,789	4,784
6	6	Burger King	May	4,623	4,225	3,827
7	7	Wendy's	Dec.	3,352	2,992	2,673
8	11	Domino's	Dec.	2,800	1,865	1,180
9	8	ARA Services	Dec.	2,700	2,626	2,547
10	10	Hardee's	March	2,636	2,358	2,083
11	9	Baskin-Robbins	Dec.	2,565	2,500	2,339
12	12	Taco Bell	Dec.	2,090	1,833	1,660
13	14	Holiday Inn	Dec.	1,757	1,696	1,707
14	13	K mart	Jan.	1,723	1,800	1,850
15	15	Church's	Dec.	1,600	1,497	1,480
16	18	Arby's	Dec.	1,470	1,343	1,254
17	16	Long John Silver's	June	1,465	1,375	1,355
18	17	Dunkin' Donuts	Oct.	1,418	1,359	1,291
19	44	Marriott Food Service Mgt.	Dec.	1,400	491	466
20	19	Denny's	June	1,239	1,140	1,038
21	42	Service America	March	1,200	518	207
22	20	Canteen	Dec.	1,140	1,020	950
23	22	Big Boy	Dec.	1,018	925	1,250
24	34	Little Caesar	Dec.	1,000	645	464
25	21	Sonic Drive-In	Aug.	972	968	975
26	23	Saga	June	928	904	856
27	24	Godfather's	Dec.	865	895	887
28	25	Winchell's	June	860	866	865
29	27	Carvel	Dec.	860	842	828
30	26	F. W. Woolworth	Jan.	858	859	860
31	28	Jack-in-the-Box	Sept.	795	788	774
32	29	Friendly Ice Cream	Dec.	750	710	669
33	39	Quality Inn	May	741	555	539
34	33	Mister Donut	Feb.	737	656	576
35	30	Pizza Inn	Dec.	725	706	710
36	32	Ponderosa	Feb.	670	656	640
37	43	Western Sizzlin'	Oct.	640	510	475
38	37	Bonanza	Sept.	620	575	550
39	31	A&W	Dec.	612	704	754
40	35	Howard Johnson's Rest.	Oct.	612	600	811
41	36	Tastee Freeze	Dec.	595	598	620
42	48	Rax	July	580	457	346
43	40	Roy Rogers	Dec.	575	537	504
44	41	Waffle House	Dec.	567	523	486
45	38	Ramada Inn	Jan.	564	571	593
46	51	Popeyes	Dec.	540	437	390
47	46	Sizzler	April	515	465	451
48	45	Sheraton	Dec.	500	473	453
49	49	Captain D's	Oct.	500	456	426
50	52	Shoney's	Oct.	498	433	390
51	54	Round Table Pizza	Dec.	490	430	400
52	47	Int'l House of Pancakes	Dec.	464	459	458
53	53	Carl's Jr.	Jan.	455	433	379
54	58	Golden Corral	Dec.	436	346	286
55	50	Shakey's	Sept.	420	450	453
56	59	Bojangles'	Dec.	400	320	215
57	57	Red Lobster	May	395	370	367
58	56	Whataburger	Sept.	390	380	330
59	55	ShowBiz/Chuck E. Cheese's	Dec.	357	402	479
60	60	Greyhound Food Mgt.	Dec.	350	315	310
61	63	Del Taco	Dec.	330	275	280
62	62	Chick-fil-A	Dec.	325	305	280
63	61	Perkins	Dec.	312	312	309
64	77	Village Inn	Oct.	275	200	182
65	65	Custom Management	June	268	250	243
66	66	Krystal	Dec.	263	248	234
67	68	Country Kitchen	Dec.	260	242	268
68	64	Hilton	Dec.	258	253	246
69	67	Szabo	Sept.	255	244	233
70	69	Delaware North	Dec.	250	234	217
71	71	Naugles	June	248	225	201
72	70	Ogden	Dec.	244	230	202
73	76	Seiler	Aug.	235	200	180
74	82	Chi-Chi's	April	225	173	136
75	79	White Castle	Dec.	220	190	176
76	78	Quincy's	Dec.	218	198	163
77	75	Western Steer	Feb.	217	205	177
78	72	Mr. Steak	Dec.	215	217	248
79	74	Disneyland/Disney World	Sept.	212	210	210
80	73	Ground Round	Dec.	210	215	225
81	81	Bennigan's	May	202	177	148
82	83	Grandy's	June	187	147	97
83	80	Steak and Ale	May	186	181	178
84	86	Po Folks	Sept.	165	132	82
85	88	El Torito	Dec.	165	125	114
86	84	Morrison's	June	155	147	153
87	85	Marriott Hotel	Dec.	143	143	130
88	90	Furr's	Dec.	134	123	117
89	89	Dobbs	Feb.	134	123	114
90	92	Stuart Anderson's	June	129	119	109
91	87	York Steak House	May	127	129	130
92	93	Marie Callender's	Dec.	125	112	101
93	91	Wyatt	Dec.	123	120	117
94	94	T.G.I. Friday's	Dec.	115	102	83
95	95	Piccadilly	June	110	100	93
96	96	Luby's	Aug.	85	77	70
97	97	Hyatt Hotel	Dec.	78	75	72
98	98	Sky Chefs	Dec.	67	61	54
99	99	Brown Derby	Dec.	59	52	59
100	100	Westin	Dec.	52	51	46
TOTAL Top 100 Chains				99,194	90,939	85,802

Source: *NRN* research

Units: Individual restaurants, hotel properties or contract-feeding accounts. The Number of Units table was extracted exclusively from the Top 100 Chains Ranked by Systemwide Sales table, where additional explanations and footnotes can be found.

TOP 100 CHAINS:

Ranked by Sales Per Unit

Top 100 Rank		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
1	1	Westin	Dec.	$9,000.0	$8,700.0	$7,600.0
2	2	Sky Chefs	Dec.	5,450.0	5,450.0	5,410.0
3	3	Marriott Hotel	Dec.	5,200.0	5,100.0	4,900.0
4	5	Hilton	Dec.	3,800.0	3,200.0	2,900.0
5	4	T.G.I. Friday's	Dec.	3,250.0	3,270.0	3,360.0
6	7	Hyatt Hotel	Dec.	3,200.0	3,000.0	3,000.0
7	6	Dobbs	Feb.	2,990.0	3,000.0	3,020.0
8	9	Stuart Anderson's	June	2,700.0	2,500.0	2,500.0
9	8	Brown Derby	Dec.	2,540.0	2,520.0	2,370.0
10	10	Luby's	Aug.	2,450.0	2,390.0	2,350.0
11	11	Sheraton	Dec.	2,400.0	2,300.0	2,200.0
12	14	Red Lobster	May	2,380.0	2,235.0	2,120.0
13	13	Bennigan's	May	2,350.0	2,250.0	2,250.0
14	16	El Torito	Dec.	2,197.0	2,133.0	1,946.0
15	15	Chi-Chi's	April	2,175.0	2,180.0	2,190.0
16	17	Piccadilly	June	2,050.0	2,000.0	2,000.0
17	18	Morrison's	June	1,900.0	1,850.0	1,730.0
18	19	Marie Callender's	Dec.	1,800.0	1,750.0	1,500.0
19	20	Furr's	Dec.	1,710.0	1,600.0	1,500.0
20	21	Wyatt	Dec.	1,570.0	1,550.0	1,460.0
21	22	Steak and Ale	May	1,520.0	1,500.0	1,480.0
22	23	Po Folks	Sept.	1,495.0	1,490.0	1,500.0
23	24	Shoney's	Oct.	1,350.0	1,340.0	1,211.0
24	26	McDonald's	Dec.	1,340.0	1,260.0	1,170.0
25	27	Grandy's	June	1,313.0	1,250.0	1,453.0
26	25	White Castle	Dec.	1,300.0	1,280.0	1,210.0
27	28	Ogden	Dec.	1,281.0	1,213.0	1,114.0
28	30	Ground Round	Dec.	1,272.0	1,118.0	1,015.0
29	29	Big Boy	Dec.	1,200.0	1,200.0	1,100.0
30	31	Sizzler	April	1,200.0	1,100.0	961.0
31	33	Disneyland/Disney World	Sept.	1,130.0	1,060.0	1,070.0
32	32	York Steak House	May	1,125.0	1,100.0	1,075.0
33	12	Marriott Food Service Mgt.	Dec.	1,110.0	2,260.0	2,040.0
34	36	Burger King	May	1,100.0	1,000.0	944.0
35	35	Denny's	June	1,040.0	1,000.0	980.0
36	34	Ponderosa	Feb.	988.8	1,007.0	857.3
37	39	Quincy's	Dec.	960.0	951.0	957.0
38	44	Wendy's	Dec.	945.0	861.0	759.0
39	45	Saga	June	933.0	860.0	830.0
40	47	Friendly Ice Cream	Dec.	916.0	851.0	836.0
41	40	Perkins	Dec.	913.5	907.1	873.8
42	43	Western Steer	Feb.	906.0	871.9	844.0
43	38	ShowBiz/Chuck E. Cheese's	Dec.	900.0	958.5	972.0
44	41	Bojangles'	Dec.	900.0	900.0	900.0
45	46	Delaware North	Dec.	900.0	855.0	806.0
46	50	Western Sizzlin'	Oct.	900.0	800.0	700.0
47	42	Village Inn	Oct.	890.0	880.0	832.0
48	49	Hardee's	March	864.0	802.0	771.0
49	48	Roy Rogers	Dec.	850.0	825.0	800.0
50	51	Bonanza	Sept.	840.0	780.0	734.0
51	55	Carl's Jr.	Jan.	769.0	732.4	767.3
52	53	Popeyes	Dec.	755.0	745.0	715.0
53	52	Jack-in-the-Box	Sept.	754.0	753.0	700.0
54	56	Howard Johnson's Rest.	Oct.	752.2	730.6	535.8
55	57	Golden Corral	Dec.	750.0	720.0	705.0
56	58	Rax	July	734.0	709.0	760.0
57	59	Custom Management	June	718.0	700.0	720.0
58	61	Greyhound Food Mgt.	Dec.	708.0	667.0	613.0
59	54	Seiler	Aug.	698.1	739.5	703.3
60	37	Krystal	Dec.	695.0	975.0	666.0
61	60	Mr. Steak	Dec.	684.0	682.0	685.0
62	63	Arby's	Dec.	655.0	615.0	575.0
63	62	Service America	March	642.0	642.0	1,150.0
64	64	Szabo	Sept.	634.0	613.0	594.0
65	65	Country Kitchen	Dec.	625.0	603.0	540.0
66	70	Taco Bell	Dec.	622.0	550.0	460.0
67	68	Kentucky Fried Chicken	Dec.	610.0	565.4	525.0
68	66	Naugles	June	595.0	585.0	595.0
69	67	Del Taco	Dec.	585.0	584.0	535.0
70	73	Chick-fil-A	Dec.	580.0	525.0	510.0
71	69	Whataburger	Sept.	579.0	553.0	530.0
72	71	Captain D's	Oct.	574.0	539.0	521.0
73	72	Holiday Inn	Dec.	563.5	526.6	489.2
74	74	Int'l House of Pancakes	Dec.	530.0	521.0	467.9
75	77	Shakey's	Dept.	520.0	470.0	465.0
76	75	Long John Silver's	June	515.0	478.0	459.0
77	76	ARA Services	Dec.	486.0	473.0	460.0
78	78	Church's	Dec.	481.0	445.0	388.2
79	84	Domino's	Dec.	465.4	426.4	407.2
80	80	Round Table Pizza	Dec.	460.0	440.0	422.0
81	79	Ramada Inn	Jan.	456.5	443.2	421.5
82	83	Pizza Hut	Dec.	440.0	428.0	400.0
83	81	Canteen	Dec.	438.0	434.0	388.0
84	85	Dunkin' Donuts	Oct.	437.6	416.5	391.6
85	82	Little Caesar	Dec.	435.0	433.0	432.0
86	86	Pizza Inn	Dec.	420.0	396.0	381.0
87	88	Quality Inn	May	409.1	382.3	371.0
88	87	Godfather's	Dec.	375.0	390.0	425.0
89	89	Tastee Freeze	Dec.	325.0	300.0	225.0
90	90	Sonic Drive-In	Aug.	312.0	292.0	270.0
91	91	Waffle House	Dec.	297.0	291.0	283.0
92	92	Dairy Queen	Nov.	275.0	228.3	270.0
93	94	A&W	Dec.	237.0	220.0	216.0
94	93	Carvel	Dec.	234.0	226.0	221.0
95	96	K mart	Jan.	229.3	207.2	162.2
96	95	Winchell's	June	215.0	215.0	212.0
97	97	Mister Donut	Feb.	205.0	205.0	202.0
98	98	Baskin-Robbins	Dec.	202.4	188.0	194.5
99	99	F. W. Woolworth	Jan.	180.6	180.4	180.2
100	100	7-Eleven	Dec.	75.5	72.3	69.8
AVERAGE Top 100 Chains				1,184.3	1,155.1	1,104.8

Source: *NRN* research

Sales Per Unit: Units that have been in operation for at least 12 months prior to the end of the fiscal year. The Sales Per Unit table was extracted exclusively from the Top 100 Chains Ranked by Systemwide Sales table, where additional explanations and footnotes can be found.

Top 4 burger chains pulling away from the pack

By David Zuckerman

Life in the fast-food hamburger segment grows increasingly treacherous for most players as the so-called big three—McDonald's, Burger King and Wendy's—along with No. 4 Hardee's, are applying their enormous financial and marketing muscle to pull even further away from the pack.

While those four chains, which now account for about 35% of the nation's fast-food sales, prepare for a renewed battle-of-the-burgers campaign and wage war on the breakfast front, others in the segment are being forced to adopt a back-to-basics stance in the face of sagging sales and earnings.

With the exception of such low-enders as White Castle and Krystal, which over the years have developed a totally separate customer base from the mainstream fast feeders, few burger chains are able to escape the rapidly growing tentacles of the top four.

Backed by massive marketing campaigns, which reach deep into the psyche of the American (and foreign) consuming public, McDonald's, Burger King and Wendy's—and to a lesser degree Hardee's—are slowly cutting off growth opportunities for such chains as Arby's, Jack in the Box, Roy Rogers, Carl Karcher and Rax. Concurrently, overwhelming unit buildup by the top four is thrusting them into practically every market, further increasing crucial exposure.

> *'While top-ranked McDonald's is hardly in a vulnerable position, the 8,300-plus-unit chain is nevertheless covering its flanks.'*

With No. 2 Burger King and No. 3 Wendy's jumping into the breakfast race, along with Arby's and Roy Rogers, the scamble to boost or maintain morning daypart traffic is emerging as one of the major battlegrounds among the segment leaders.

While top-ranked McDonald's, which derives some 18% of its sales from breakfast, is hardly in a vulnerable position, the 8,300-plus-unit chain is nevertheless covering its flanks.

Already McDonald's is bracing for the challenge by stepping up the rollout of its three breakfast biscuit sandwiches, now available in about 4,000 units. Originally developed as a regional product for markets in the Southeast, the biscuits are expected to become a chainwide fixture by the end of this year, affording McDonald's a potent one-two breakfast punch in tandem with the popular Egg McMuffin.

McDonald's Upgrades Breakfast

In addition, McDonald's is slowly instituting a program of improved service and ambience during breakfast in a move designed to foster repeat business. Currently in force at several hundred units around the country, the program includes such amenities as tablecloths, artificial flowers and salt and pepper shakers on tables and smiling hostesses offering free coffee refills, complimentary newspapers and toys for the kids.

With 81 consecutive quarters of revenue and earnings growth under its belt, McDonald's will add more than 500 stores worldwide this year, expanding its presence in such nontraditional locations as office buildings, airports, toll roads, hospitals, museums and military bases.

At the end of 1984, 1,709—or 21%—of the chain's total units were outside the United States, with foreign sales approaching $2 billion. Now ensconced in 36 countries, McDonald's is setting its sights on at least four more, Argentina, Macao, Indonesia and South Korea (the sight of the 1988 summer Olympics).

But while average units sales should surpass the $1.3 million mark by the end of 1985, McDonald's searches methodically for a blockbuster new product to fuel real sales growth. The 1983 rollout of Chicken McNuggets was the chain's last real score on the new-products front.

Among items currently in test, the most likely to get chainwide exposure in the near future is a new lettuce-and-tomato-topped ¼-lb. hamburger dubbed the McDLT. Positioned to challenge Burger King's reformulated 4.2-oz. Whopper and add fuel to a renewed battle of the burgers, McDLT has scored impressively in a 400-unit Midwestern test and will soon be expanded into Texas, Oklahoma and markets on the West Coast.

Burger King Remains Pugnacious

Meanwhile, No. 2 Burger King remains a belligerent challenger, expanding at a steady pace of about 400 units per year and topping the $1 million mark in average per-unit sales for the first time.

Riding a wave of comparative advertising that has helped fuel impressive growth, Burger King is confronting McDonald's head-on in the breakfast arena, pitting its new Croissan'wich breakfast sandwich directly against the Egg McMuffin. While the ploy is unlikely to hurt McDonald's much, breakfast sales at Burger King have risen to about 12% of the total and should climb higher in the coming year.

On the burger front, the 4,225-unit chain is keeping the heat on the competition with a surprise rollout of a reformulated 4.2-oz. Whopper. By reintroducing its signature sandwich as new and improved, Burger King has in essence responded to No. 3 Wendy's classic "Where's the Beef?" and reawakened the dormant battle of the burgers.

In addition, Burger King has new plans for the croissants that it currently uses for its breakfast Croissan'wich. Three nonbreakfast croissant sandwiches—bacon lettuce and tomato, ham and cheese and chicken—are currently being tested in selected markets, although a rollout is not imminent.

With two recent acquisitions by parent Pillsbury—the nine-unit Quik Wok fast-Chinese-food chain and the multifaceted Diversifoods: Godfather's Pizza, ChartHouse dinnerhouses, Luther's barbeque and Moxie's—Burger King will vastly expand its horizons. Already, Quick Wok has been added to the Burger King family, with former marketing executive and New York regional manager Kyle Craig Jr. as its new president.

The Diversifoods purchase, which includes 377 franchised and subfranchised Burger Kings, increases the chain's stock of company stores to about 20% of the system and adds a strong company presence in the Midwest. Eventually, however, at least some of those stores will be sold off to franchisees.

But most intriguing will be the fate of Godfather's, the ailing 895-unit pizza chain that helped bring Diversifoods to its knees. With Burger King chairman and chief executive J. Jeffrey Campbell reportedly interested in the pizza segment, speculation is high that Burger King may retain Godfather's and attempt to turn it around.

Other Diversifoods properties will likely be sold off or operated by Pillsbury's S & A Restaurant Corp.

Wendy's Sidesteps Battle

While Burger King attempts to rattle McDonald's ivory tower, No. 3 Wendy's is sidestepping the competition in the breakfast arena by tilting its new program toward a middle ground between fast food and coffee shop, hoping to gain market share at the expense of both segments.

Reaching beyond the breakfast sandwich offerings of its closest competitors—McDonald's, Burger King

*(See **BIG 4**, page F18)*

TOP BURGER CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
1	1	McDonald's	Dec.	$11,500.0	$10,000.0	$8,700.0
2	2	Burger King	May	4,520.0	3,990.0	3,400.0
4	4	Wendy's	Dec.	3,000.0	2,420.0	1,920.0
5	6	Hardee's	March	2,200.0	1,800.0	1,600.0
25	24	Jack-in-the-Box	Sept.	621.2	575.2	531.7
29	28	Roy Rogers	Dec.	545.0	483.3	428.0
44	42	Carl's Jr.	Jan.	358.7	335.2	289.8
53	48	Sonic Drive-In	Aug.	302.5	283.1	262.0
56	61	White Castle	Dec.	286.0	229.0	210.0
68	68	Whataburger	Sept.	226.0	210.0	175.0

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP BURGER CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
1	1	McDonald's	Dec.	8,854	8,304	7,778
6	6	Burger King	May	4,623	4,225	3,827
7	7	Wendy's	Dec.	3,352	2,992	2,673
10	10	Hardee's	March	2,636	2,358	2,063
25	21	Sonic Drive-In	Aug.	972	968	975
31	28	Jack-in-the-Box	Sept.	795	788	774
39	31	A&W	Dec.	612	704	754
43	40	Roy Rogers	Dec.	575	537	504
53	53	Carl's Jr.	Jan.	455	433	379
58	56	Whataburger	Sept.	390	380	330

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP BURGER CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
24	26	McDonald's	Dec.	$1,340.0	$1,260.0	$1,170.0
26	25	White Castle	Dec.	1,300.0	1,280.0	1,210.0
34	36	Burger King	May	1,100.0	1,000.0	944.0
38	44	Wendy's	Dec.	945.0	861.0	759.0
48	49	Hardee's	March	864.0	802.0	771.0
49	48	Roy Rogers	Dec.	850.0	825.0	800.0
51	55	Carl's Jr.	Jan.	769.0	732.4	767.3
53	52	Jack-in-the-Box	Sept.	754.0	753.0	700.0
60	37	Krystal	Dec.	695.0	975.0	666.0
71	69	Whataburger	Sept.	579.0	553.0	530.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

TOP 4 BURGER CHAINS

'While BK attempts to rattle McD's ivory tower, Wendy's is sidestepping competition.'

(Continued from page F17)

and Hardee's—Wendy's is opting for a sit-down breakfast anchored by four made-to-order omelets, French toast, a scrambled-egg platter and a breakfast sandwich served on white or wheat toast.

Beyond breakfast, which could take a year or more to turn a profit, Wendy's has stepped up testing of its All American hotdogs to more than 300 stores in 12 markets and has also begun a trial run of a Swiss Bacon Burger. The hotdogs loom as the chain's next major new product rollout, perhaps following completion of the $50 million-plus breakfast media blitz that is currently in progress.

While marketing expenditures have been stepped up to 2% of domestic sales this year, Wendy's remains dissatisfied with its overall penetration. Development in major cities, such as Los Angeles, San Francisco, New York, Chicago, Houston and Dallas, will increase significantly over the next few years, with a target of 4,000 units in operation by the end of 1987.

This year, some 360 new stores will be added to a 1984 base of 2,992, an expansion clip of about 12%.

Meanwhile, an ongoing $60 million greenhouse-remodeling program, which will add one-third more seating, will be completed at about 400 additional stores by the end of the year. Remodeled stores typically averaged about $950,000 in sales last year, well above the chain average of $861,000.

Hardee's "Better Burger"

For Hardee's the problem is not in establishing a breakfast program but in stepping up sales of other products, such as burgers. The chain's biscuit breakfast program, among the most successful in the industry, currently accounts for nearly 30% of sales, according to estimates.

But with increased competition from Burger King and Wendy's, Hardee's must look to its lunch and dinner business if it hopes to keep pace with the big three. To that end, the chain has been working to improve the image of its hamburger and specialty-sandwich lines and researching and developing new products in the nonsandwich area.

Currently in the midst of a major image-building campaign, targeted heavily toward the blue-collar working class, Hardee's will soon jump into the battle of the burgers for the first time with its own reformulated ¼-lb. hamburger. Dubbed the "Better Burger," the new product will feature a loosely packed, made-in-hand look reminiscent of a backyard barbecue.

In the meantime, Hardee's is heavily concentrated in the Southeast and Midwest and has no plans on the drawing board for the Northeast or the West Coast, where the chain has no stores. But while network advertising has been introduced over the past year, Hardee's continues to operate like a giant regional chain, satisfied to compete on a market-by-market basis.

With average store sales in the $800,000 range, Hardee's will add about 250 new stores over the next year, bringing the chain total above 2,600 by the end of fiscal 1986.

In addition, Hardee's will step up development of in-store units at Peoples Drug stores (both are subsidiaries of Montreal-based Imasco Ltd.) and begin developing new sites for its Casa Grisanti Italian dinnerhouse chain.

BURGER SEGMENT PRICE DATA

For Selected Chains

	Average Per-Person Check (By Fiscal Year)			Annual Price Increases (By Fiscal Year)		
Chain	Current	Last Full	Previous	Current	Last Full	Previous
McDonald's	$3.24	$3.15	$3.00	2.8%	0.0%	0.0%
Burger King	3.27	3.20	3.00	2.2	5.7	0.0
Wendy's	4.14	4.10	4.02	2.0	4.0	3.0
Hardee's	2.45	2.37	2.15	2.0	2.0	1.0
Carl's Jr.	3.38	3.76	3.42	−10.1	9.9	4.6
White Castle	2.54	2.51	2.42	1.1	3.7	
Krystal	2.54	2.49	2.37	1.9	2.7	

Source: *NRN* research

For some, 1985 has become the year of living dangerously

Beyond the top four chains, prospects at the rest of the fast-food hamburger chains appear weakened, as many aggressive contenders seem to sputter.

Among the most ambitious, Carl Karcher Enterprises and Rax Restaurants; lofty plans have hit a wall as both suffer shortfalls in traffic and average-unit sales. Both are now rethinking their strategies to regain a foothold. Marriott's 550-unit Roy Rogers chain, however, appears to be holding even.

For Carl Karcher, a disastrous dinner rollout that damaged the price-value perception at its 440 Carl's Jr. restaurants triggered a chain of events that stifled earnings growth for fiscal 1985 (ended January) and pushed average unit volumes down some 4.5%, to about $730,000.

While the dinner program has been scrapped and menu prices have been reduced, the company has not yet recovered. For the first quarter ended May 17 year-to-year profits were off 82%, to $811,000.

As a result, while the chain will continue its expansion into Texas and its recently instituted franchising program, unit development has been pared from an estimated 60 new stores in fiscal 1986 to less than 25.

In addition, the bulk of Karcher's $12 million marketing budget—spread much too thin to be effective last year—will be devoted to its reduced-price line of hamburgers, which now range from 49¢ (for a new 2-oz. burger) to $2.19.

Severe winter weather in the Midwest this year was a contributing factor to the downfall of Rax, which saw average unit volumes dip 6.7% on a year-to-year basis and profits evaporate to almost nothing for the fiscal year ended July 31.

Arby's has registered steady growth but is still losing ground to the segment leaders.

But beyond the elements, Rax fell short in other areas, most notably a marketing plan that was too thin to support the chain's ambitious 30% to 40% annual unit expansion. With the marketing director's post unfilled for much of the fiscal year, consumer awareness began to waver and traffic plummeted. In addition, poor site selection in some markets contributed to weak performances at new stores, bringing the chain's overall sales average down.

Rapid new-product development, which has built the Rax menu to more than 30 items, including the segment's first stuffed baked potato, will likely be curtailed in the coming year in favor of an increased emphasis on marketing, operations and real estate.

Earlier this year, former Wendy's executive Daniel J. Corrigan took over as executive vice president of marketing, and the team was beefed up from five to 22 employees. The chain's advertising budget has been doubled to $10 million and was turned over to a new agency, Benton & Bowles of New York.

With a stronger emphasis on selectivity of sites, Rax unit expansion pace is expected to slow to about 27% growth, with some 120 new stores being added in fiscal 1986.

Meanwhile, Rax continues its search for a president, a role that has been filled since the chain's inception in 1978 by founder and chairman J. Pat Ross, who is also chief executive. In all likelihood a new president will be named before the end of this year.

In contrast to the ups and downs of Carl Karcher and Rax, Arby's has registered steady growth while remaining mired in mediocrity. As the fifth-largest chain in the burger segment, with more than 1,400 units, it is losing ground to the leaders despite a spate of recent new product introductions, including a chicken sandwich, a stuffed baked potato and an extensive breakfast program.

On a positive note, parent Royal Crown has finally named a new Arby's president—former Ralston Purina executive Leonard Roberts—filling a leadership void that has existed since Jefferson T. McMahon resigned late last year.

But with average unit volumes not expected to reach $700,000 by the end of this year, Arby's must expand beyond its roast beef orientation to compete on equal footing with the burger giants. The company readily admits that roast beef accounts for only 5% of the fast-food market while burgers take a whopping 50%.

Although the chain will refocus its marketing efforts on its signature roast beef for the remainder of 1985, it is busy developing a line of ½-lb. hamburgers, which are now being tested in about 70 stores. However, a burger rollout is not likely to occur in the near future because most of the Arby's system remains unequipped for grilling or broiling.

Also on the drawing board is a roasted-chicken item, targeted toward the health-conscious consumer and slated as a possible sales builder at dinner. Currently being tested in Richmond and Atlanta, the product will be moved into Northern and Western markets later this year and perhaps rolled systemwide in early 1986.

Meanwhile, the fate of the sixth-largest fast-food burger chain—Jack in the Box—remains uncertain following a collapsed leveraged buyout attempt in which company president and chief executive Jack Goodall, nine other top executives and an investment partnership sought to purchase the 790-unit chain from parent Ralston Purina for $500 million.

While Ralston Purina, which sold off its 71 dinnerhouses to Vicorp last year, appears committed to unloading Jack in the Box (the last vestige of its Foodmaker food-service division), the company may be forced to trim some $50 million to $125 million from the price tag so that lenders will be interested. Declining Jack in the Box earnings and a poor environment for continued growth have been cited as reasons for the collapse of the LBO.

Before that happened, plans for the chain had included a name change to Monterey Jack's, an aggressive franchising program (less than 10% of Jack in the Box units are franchised) and further refinements to the menu, which has evolved over the past few years into one of the most sophisticated in the segment.

—David Zuckerman

FOCUS | NRN

Chicken chains hatch new ideas to keep abreast

By Don Jeffrey

Chicken chains, which rolled out nuggets to win back customers lost to McDonald's, are now scrambling to expand their menus to differentiate themselves from each other.

Menu items in test or rollout this year include catfish at Church's, waffle fries at Chick-Fil-A, cinnamon twists at Bojangles', baked filets of chicken breast at Mrs.Winner's and barbecued ribs at Grandy's.

The list of new products is likely to grow as new units crowd each other in many markets.

McDonald's successful rollout of chicken nuggets two years ago "rattled up the test kitchen doors," said Lamar Berry, a Popeyes vice president.

Meanwhile, such chains as Kentucky Fried Chicken continue to upscale their units, reaching for higher-income demographics. Executives recall how Church's suffered severe customer count declines in its many lower-income markets during the last recession.

Because of the increased competition for dollars and diners, some observers say smaller chains may disappear in a shakeout, succumbing to stepped-up consolidation, as the bigger and healthier chains gobble up the smaller, struggling ones.

> *'Chains are looking at new ways of preparing chicken because they fear consumers are shunning an all-fried diet.'*

Church's Rebounds

Despite Church's problems several years ago, it is one of the success stories of 1985, as profits and real sales trend upward again.

Church's innovative and successful rollout of fried catfish is spurring chain executives to move beyond a standard fried-chicken offering.

Many chains, in fact, are looking at new ways of preparing chicken, indicating their fear that consumers are shunning an all-fried diet.

Mrs. Winner's is rolling out a 5-oz. baked chicken breast filet and has added green beans as a side item. The company expects the offering to reach 10% of sales. Bojangles' has tested roasted and grilled chicken but has decided not to roll out either at this time.

Chicken chains hope to benefit from Americans' move toward lower red-meat consumption.

Breakfast Trade

Though chicken remains primarily a dinner offering, with carry-out sales amounting to a large percentage of the total receipts, such chains as Bojangles and Mrs. Winner's are carving out important shares of the breakfast trade.

The segment's two top chains, Kentucky Fried Chicken and Church's, said they have no plans to add breakfast, though there are persistent reports that Church's is interested.

But most chains are cutting back on once-ambitious growth plans. Bojangles' and Mrs. Winner's have both met resistance in new markets.

KFC Adds a Store a Day

KFC, nevertheless, said it is adding about one new store a day this year, a rate that will leave it with 6,540 units by year-end, increasing its dominance over the segment.

The chain is ambitiously remodeling with reports of "substantial" sales gains from remodeled units. The look is upscale, with landscaping outside and large airy dining rooms inside. New and remodeled units feature drive-throughs for customer convenience.

KFC's newest product is Kentucky Nuggets, now at about 7% of sales.

Church's, the No. 2 chain, with about 1,600 units this year, is growing through acquisitions as well as by building from scratch. Recently it acquired two small Texas-based chicken chains and indicated that it may look for other acquisitions.

San Antonio-based Church's is growing in part, with take-out-only mini-stores that can be fitted onto unusual or undersized sites and then be moved to new locations easily if customer traffic patterns shift.

Church's success with catfish is curing the new-product doldrums it suffered for many years. It traditionally had little luck with new menu items, as such fast-food innovations as okra, livers and gizzards failed to catch on with a national audience.

Popeyes' Spicy Nuggets

Popeyes, the No. 3 chain, with an estimated 540 units this year, goes its own way with its Louisiana-based Cajun-style offerings. This chain's fortunes in the national arena might be boosted with the current fascination for regional cuisines, especially such exotic fare as Cajun. Popeyes' own nuggets product is spicy Cajun, and the company is hoping for a 7% to 9% incremental sales gain.

Executives at Popeyes said they are monitoring the "healthy" foods trend but as yet do not feel compelled to respond with a rollout.

Segment leaders, speaking freely about the deterioration of customer counts after McDonald's nuggets rollout, still caution against new-product introductions for only short-term gains.

Bojangles' Flat Sales

Bojangles', the Horn & Hardart-owned chicken chain with about 400 units, has impressive average volumes, but they have been flat for two years. Competitive pressures are cited as the reason.

Because breakfast is such a significant part of Bojangles' business, one of the two new products rolled out this year is a breakfast support item: a cinnamon twist. The other, nuggets, registers 8% to 10% of sales.

Like Church's, Bojangles views acquisition as an important growth vehicle. A chain it bought in Florida in the past year has undergone conversion to Bojangles'. Executives are looking for another purchase.

Despite high construction and real estate costs, Bojangles' said it has been able to maintain a flat average cost per unit as it grows.

Smaller, regional chains, such as Mrs. Winner's and Grandy's are experiencing some problems as they have grown. Winner's has had a tough year, with average store sales down 7% to 8% and profits down as well.

Besides its baked chicken and nuggets, Mrs. Winner's has added a new french fry: a fried and seasoned potato wedge with the skin on. The company said it is outselling the potato tart, the item it replaced, by 3 to 1.

Because Winner's registers a substantial portion of its sales at breakfast, which is not chicken based, it is likely to continue its menu diversification beyond chicken products.

Average volumes at Grandy's, which Saga owns, have dropped recently.

Commodity cost increases have been held in check this year, unlike the rapid rises of the previous year, when the cost of broiler chickens hit all-time highs.

TOP CHICKEN CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
3	3	Kentucky Fried Chicken	Dec.	$3,200.0	$2,800.0	$2,600.0
24	22	Church's	Dec.	650.0	633.0	548.0
45	47	Popeyes	Dec.	353.0	303.0	230.0
64	78	Bojangles'	Dec.	250.0	175.0	129.0
73	80	Grandy's	June	210.1	172.2	99.9
93	89	Chick-fil-A	Dec.	160.0	153.0	134.0

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP CHICKEN CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
3	3	Kentucky Fried Chicken	Dec.	6,540	6,175	5,775
15	15	Church's	Dec.	1,600	1,497	1,480
46	51	Popeyes	Dec.	540	437	390
56	59	Bojangles'	Dec.	400	320	215
62	62	Chick-fil-A	Dec.	325	305	280
82	84	Grandy's	June	187	147	97

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP CHICKEN CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
25	27	Grandy's	June	$1,313.0	$1,250.0	$1,453.0
44	41	Bojangles'	Dec.	900.0	900.0	900.0
52	53	Popeyes	Dec.	755.0	745.0	715.0
67	68	Kentucky Fried Chicken	Dec.	610.0	565.4	525.0
70	73	Chick-fil-A	Dec.	580.0	525.0	510.0
78	78	Church's	Dec.	481.0	445.0	388.2
86	86	Pizza Inn	Dec.	420.0	396.0	381.0
88	87	Godfather's	Dec.	375.0	390.0	425.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

CHICKEN SEGMENT PRICE DATA

For Selected Chains

	Average Per-Person Check (By Fiscal Year)			Annual Price Increases (By Fiscal Year)		
Chain	Current	Last Full	Previous	Current	Last Full	Previous
Church's	$3.50	$3.50	$3.00	3.0%	4.5%	9.5%
Popeyes	3.95	3.90	3.90	5.0	3.0	4.5
Bojangles'	3.50	3.47	—	1.0	—	—
Grandy's	2.93	2.84	2.75	3.0	3.0	3.0
Chick-fil-A	2.65	2.55	2.50	0.0	2.5	—

Source: *NRN* research

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Pizza chains develop systems for faster food

By Don Jeffrey

Pizza chains, identifying convenience as an increasingly important consumer preference, will be accelerating their tests of home delivery, drive-throughs and new systems for making the food faster.

All major chains are experimenting with home delivery, as Domino's, the leader in that concept, continues its explosive growth. At year-end the Michigan-based chain expects to have 2,800 outlets open, more than double what it had less than two years ago.

Little Caesar, another fast-growing Michigan-based chain, said it is installing drive-throughs in many of its units. Basically a carry-out chain, Little Caesar expects to have 1,000 units open by year-end.

In the battle to increase customer frequency and market share, segment leader Pizza Hut is rolling out Priazzo, a pizza-related product with a top and bottom crust. It could be the hottest new product this year in marketing impact and sales gains.

Other items in test or in rollout include Godfather's thin-crusted pizza, Shakey's pan pizza, Pizza Inn's pasta bar and Little Caesar's hot and cold pasta salads.

As home delivery catches on, Domino's, which has virtually owned the delivery turf for many years, could become vulnerable.

Domino's executives, though, said they welcome other chains' experiments, because they help increase consumers' awareness of home delivery. They said penetrating new markets becomes easier after other chains begin testing.

But chains that have not specialized in delivery are finding that success does not come easily.

Chains like Godfather's and Pizza Inn that have tried to conduct delivery operations out of the back of their restaurants have been reporting operational problems and low profit margins. Shakey's reported some cannibalization of sales from the carry-out and drive-thru lines.

Delivery Lures Competitors

Many chain executives said their store managers are having huge headaches trying to run a second business, delivery, out of the same shop.

Pizza Hut, recognizing the virtues of Domino's small, uncluttered, take-out and delivery-only outlets, is testing delivery at specially designed units, for fear that back-of-the-house delivery problems would blacken the image of its regular restaurants.

Little Caesars
pizza!pizza!

Little Caesar will be installing drive-throughs in many of its units.

But Pizza Hut is proceeding slowly with its delivery test, and according to recent reports, no rollout is expected soon.

Pizza Inn, with 14% of its sales from home delivery, said it, too, is moving cautiously on the concept, still not convinced that margins are right.

Shakey's delivery test is also inconclusive. That Texas-based chain is experimenting with new ovens and point-of-sale systems in order to increase speed and efficiency of service.

New Dinner Offerings

Menu tests and rollouts this year seem to favor dinner offerings, where last year's new products were more geared to lunch.

Pizza Hut is generally credited with opening up the lunch daypart for pizza chains through its marketing blitz for Personal Pan Pizza, an individual-sized pie with a five-minute guarantee. One franchisee said Pizza Hut's lunch sales went from 9% to 10% of the total before personal pan to 22% to 24% after.

Other chains have tried to improve their lunch counts by rolling out their versions of the small pie. Others, like Godfather's, are experimenting with pizza by the slice, which has long been the mainstay of many urban independent pizza parlors.

> *'Chains that have not specialized in delivery find that success doesn't come easily.'*

But, having reestablished pizza as a viable and convenient lunch offering, the chains are moving back to their traditional focus on the higher-ticket dinner trade.

Pizza Hut's Priazzo, priced like a large dinner-time pizza, accounts for 25% to 30% of sales.

Pizza Hut is now testing calzones and pastas, Italian-style menu items that are naturals for pizza chains.

Pizza Inn, among others, has expanded pastas into the evening from its lunchtime buffet.

No. 2 chain Domino's has successfully resisted menu expansion or diversification. It offers only pizza and a beverage.

Godfather's has slipped into the No. 3 position among chains in sales after stumbling badly last year when it rolled out a pan pizza that created operational nightmares for unit personnel and failed to win acceptance among consumers. Testing is now far more cautious.

Spokesmen say Godfather's is concentrating on improving store-level operations this year in an attempt to regain the perception it once enjoyed among customers as having a good price-value relationship.

Unit expansion at Godfather's has been put on hold until it can straighten out its store-level and franchisee problems. Its biggest franchisee, 118-unit Concept Development, is suing the parent to get out of its licensing agreement.

Godfather's, recently regarded as a moribund chain, could see its fortunes improve now that its parent Diversifoods has been merged with Pillsbury because Pillsbury might have the resources and the talent to turn it around.

The merger gives Pillsbury not only the nation's third-largest pizza chain

(See PIZZA, page F24)

TOP PIZZA CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank* 1985	Top 100 Rank* 1984	Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions) Current	Last Full	Previous
6	5	Pizza Hut	Dec.	$2,150.0	$1,870.0	$1,600.0
11	23	Domino's	Dec.	1,200.0	626.0	355.0
48	40	Godfather's	Dec.	324.0	345.0	350.0
49	41	ShowBiz/ Chuck E. Cheese's	Dec.	320.0	340.0	377.0
51	62	Little Caesar	Dec.	310.0	227.0	175.0
60	56	Pizza Inn	Dec.	270.0	252.0	237.0
72	66	Shakey's	Sept.	218.0	211.0	210.0
84	84	Round Table Pizza	Dec.	185.1	162.0	134.2

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP PIZZA CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank* 1985	Top 100 Rank* 1984	Chain	Fiscal Year Ends	Number of Units (By Fiscal Year) Current	Last Full	Previous
4	5	Pizza Hut	Dec.	4,837	4,593	4,300
8	11	Domino's	Dec.	2,800	1,865	1,180
24	34	Little Caesar	Dec.	1,000	645	464
27	24	Godfather's	Dec.	865	895	887
35	30	Pizza Inn	Dec.	725	706	710
51	54	Round Table Pizza	Dec.	490	430	400
55	50	Shakey's	Sept.	420	450	453
59	55	Showbiz/Chuck E. Cheese's	Dec.	357	402	479

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP PIZZA CHAINS RANKED BY SALES PER UNIT

Top 100 Rank* 1985	Top 100 Rank* 1984	Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands) Current	Last Full	Previous
43	38	ShowBiz/Chuck E. Cheese's	Dec.	$900.0	$958.5	$972.0
75	77	Shakey's	Sept.	520.0	470.0	465.0
79	84	Domino's	Dec.	465.4	426.4	407.2
80	80	Round Table Pizza	Dec.	460.0	440.0	422.0
82	83	Pizza Hut	Dec.	440.0	428.0	400.0
85	82	Little Caesar	Dec.	435.0	433.0	432.0
86	86	Pizza Inn	Dec.	420.0	396.0	381.0
88	87	Godfather's	Dec.	375.0	390.0	425.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

PIZZA SEGMENT PRICE DATA

For Selected Chains

Chain	Average Per-Person Check (By Fiscal Year) Current	Last Full	Previous	Annual Price Increases (By Fiscal Year) Current	Last Full	Previous
Domino's	$9.00	$9.00	$8.95	0.0%	1.0%	—
Pizza Inn	3.16	3.07	1.85	2.5	0.0	—

Source: *NRN* research

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PIZZA CHAINS

'Menu tests and rollouts this year seemed to favor dinner offerings rather than lunch.'

DOMINO'S PIZZA
Georgetown Mall
PIZZA
FREE DELIVERY

Domino's, the leader in home delivery, continues its explosive growth and at year-end expects to have 2,800 outlets open.

(Continued from page F24)

but also the nation's leading supermarket brand of frozen pizza, Totino's.

As frozen, store-bought pizza becomes a stronger competitor to the pizza chains with improvements in quality and the trend toward convenience, pricing could become the critical factor in the future struggles for share between the chains and the supermarkets.

Urban Invasion

The small independent or regional chains, which represent the other major competitive force in the segment, are especially strong in the big cities and major metropolitan markets that the large chains have been mostly unable to crack.

So Pizza Hut and its franchisees are looking at the expansion potential in the Los Angeles and Chicago markets. Godfather's has some franchised units in New York City. Domino's is reportedly set to open a pilot unit in Manhattan, relying on runners rather than drivers to get the pizzas to their destinations.

Shakey's has trimmed down in the past year, shedding some low-volume units, and has no plans to enter new markets. But Shakey's continues to see international development as a logical move. And Pizza Hut, which has a sizable foreign presence, could be looking forward to some bold international efforts.

Pizza Huts in the Soviet Union? Parent company PepsiCo has the soft-drinks contract there.

Domino's, having spread quickly to all 50 American states, is eagerly studying international opportunities.

The once-hot pizza-and-games segment has apparently passed its shake-out and consolidation phases, with one survivor: ShowBiz Pizza Place, owned by Brock Hotels, which bought the bankrupt Chuck E. Cheese Pizza Time Theater chain and merged it with ShowBiz.

With video games out of favor, the chain reported that "participation" games, such as skee-ball, are now dominant.

Shakey's
Pizza
SHAKEY'S PIZZA PARLOR PIANO-BAN
FLORIST
BEAU
Pizza Hut

Shakey's, which has trimmed down , has no plans to enter new markets. Pizza Hut, however, could be looking forward to some bold international efforts.

Godfather's Pizza: Dubious future for the struggling chain

Godfather's
Pizza

The fate of Godfather's is still uncertain.

OMAHA, Neb. — Godfather's is the biggest question mark in the pizza business.

Will Pillsbury, the new owner of the struggling, 865-unit chain, sell it to raise cash to ease debt incurred in the $360 million purchase of Godfather's ex-parent Diversifoods?

Or will Pillsbury hold on to the chain and try to turn it into a winner again?

Or will Godfather's fate be determined in a New York federal court, where Horn & Hardart, which lost out in a bid to buy Diversifoods, is charging that Pillsbury breached an agreement to sell Godfather's to Horn & Hardart?

While the uncertainty continues, Godfather's is trying to reverse its fortunes by concentrating on store-level operations, which were in a welter last year over an ill-timed, ill-executed pan pizza rollout. A reformulated product failed to help the bottom line. New items now in test include a thin-crusted pizza and pizza slices.

At headquarters Henry Pettis is at the helm, the survivor of a series of management upheavals. His task—trying to soothe dispirited franchisees—is mighty: The largest franchisee, 118-unit Concept Development, is suing to break its licensing agreement, and some franchisees are not paying royalty fees. Some analysts believe Pillsbury, if it decides to sell the chain, will sell it to a franchisee.

Pettis is directing the chain from Omaha, once again the headquarters city. Godfather's has returned to its native city after a costly one-year sojourn in southern California, where it moved to accommodate ex-chief executive Charles Boppell.

If Pillsbury plans to hold on to Godfather's, a key player has to be Jeffrey Campbell, the chief executive of its Burger King subsidiary. Campbell, who is said to have considerable influence at Pillsbury, is reportedly interested in running a pizza chain.

But why Godfather's? And what happened to the chain that less than three years ago was the cynosure of the food-service industry?

Growth apparently got out of control. Franchise agreements were avidly executed, and by the time founder Willie Theisen tried to professionalize the chain and give it a greater company-store presence by hiring Pizza Hut veteran Boppell, the system was already ebbing. Product quality had begun to slip, some observers said, and with it went the consumer perception that Godfather's offered the best price value relationship among pizza chains. Average store sales, once the highest in the segment, were plunging.

After Godfather's merged with Chart House to form Diversifoods in December 1983 and acquired new layers of management, the decline only hastened.

—Don Jeffrey

Fast-food fish chains search for right bait

Long John Silver's Seafood Shoppes, the segment leader.

Despite ample supplies of codfish at stable prices and more consumer demand for seafood than ever before, fast-food fish chains face one major problem: finding the right hook to reel in customers.

The seafood chains are attempting to meet the challenge through aggressive management maneuverings, menu expansions and remodelings that stress upscale looks.

"The aggressive will snare this market," Frank Brown, new group vice president of Captain D's, told seafood executives at a recent conference. "The outlook of fast seafood is positive. It doesn't blanket the country; there is tremendous room for growth."

With the decline of the Arthur Treacher's Fish & Chips chain (there are still about 211 relatively low-volume units, most of them franchise operations), three fish chains remain more viable in the field:

- Long John Silver's Seafood Shoppes, the segment leader, with 1,375 units systemwide
- Shoney's Captain D's, with 450 units
- Skipper's, with 180 units and systemwide sales nearing $90 million.

That both Captain D's and Skipper's are still predominantly regional chains—Skipper's is based in the Pacific Northwest and has yet to expand east of the Mississippi, and Captain D's territory is pretty much concentrated in the Southeast—means the chains do not compete with each other as much as they compete with the fast-food industry in general: the hamburger, pizza and chicken restaurants.

So if a McDonald's or Burger King announces, say, a new fish and chips entrée or, as a realistic example, Church's launches a catfish blitz, the seafood chains believe they have cause to put up their antennae. That may be one reason they are trying to broaden their menus.

Long John Silver's, for instance, rolled out chicken nuggets this spring, and Skipper's has begun imitating Church's catfish in certain markets (as did Long John Silver's). Some industry observers believe that this dilution of their original concept is unnecessary in view of seafood's rising popularity with an aging and more health-conscious population, although both rollouts have proved sales boosters. Captain D's foray into breakfast bars and steak-in-the-baskets did not, however, fare as well.

"We can serve customers in different ways. We don't need to react so much to what the competition is doing," Douglas Bamford, vice president of marketing for Skipper's, warned seafood executives at the recent conference.

The fast-food fish chains are striving for features that will place them in a more upscale mode than their counterparts in the burger, pizza and chicken fast-food segments.

"It's like a notch above the average fast-food place, but it's still fast-food," said Scott Drysdale, a Seattle-based analyst. "They're selling fish to differentiate themselves from other fast-food places."

Skipper's attractive nautical decor has always been fairly upscale, and Captain D's has been so to a somewhat lesser extent, although it is in the process of upgrading many of its stores. Long John Silver's is finally getting around to a major remodeling program aimed at putting some life into what has generally been regarded as outmoded, typical fast-food decor. Even Long John Silver's kingpin, John Tobe, admitted some time ago that such looks may have contributed to flat unit sales.

Other than the obvious bow to typical fast feeders, recent menu additions at all three chains have stressed lighter and more healthful entrées, such as the nonfried "Chillers" line at Long John Silver's, the new "light" entrées of boiled shrimp and tossed salads at Captain D's and seafood pasta salads brought out at Skipper's.

Company officials said they would be further exploring nonfried foods for the long term but note they will still emphasize fried fish entrées for the short term.

A current trend is away from couponing and discounting in favor of "value" marketing. Both Long John Silver's and Skipper's said they are stressing such ploys now on the basis that people in the 1980's want quality and are willing to pay more for it.

Captain D's realized the strongest gains in nominal sales for Shoney's. It advanced 8.7% on a comparable store basis with real sales up 6.2% during the second quarter of 1985. Its revenues in 1984 were $236 million, as compared with 1983's $216.7 million.

According to Goldman Sachs Research, Shoney's management is among the best in the industry. Captain D's officials have been buying low-volume franchised units and turning them around as company-owned stores. The average unit volume, $539,000 in fiscal 1984, is the highest of all those in the seafood segment.

Skipper's, not unlike the rest of the industry, experienced a general sales slowdown in the second half of the last year but nevertheless garnered a 26% increase in systemwide sales, to $74 million, in fiscal 1984. Average unit sales also increased substantially, from $420,000 in 1983 to $460,000 in 1984.

However, Skipper's general and administrative expenses are high, accounting for 16% of revenues, contributing to only a 5.9% pretax profit margin in 1984 and a 4% profit margin after taxes. This would not be so bad if the chain were bigger. According to analyst Drysdale, Skipper's has "good people but not enough units and sales to spread costs. They absolutely must expand."

The 180-unit Skipper's chain, the smallest fish in the pond, is taking steps to turn the problem around. It has plans to add 30 new units this year and has instituted cost-saving measures, such as offering Jell-O as an alternative to coleslaw and including cocktail sauce at the self-serve condiment bar rather than delivering it to the table.

Further and perhaps more important, Skipper's has contracted on an annual basis for Alaskan cod, more expensive per pound than North Atlantic supplies but believed to be more cost efficient because of less waste.

While Skipper's is struggling to expand to capitalize on its well-run operation, giant Long John Silver's has not, until recently, seemed able to capitalize on its size. Its unit volumes remain the lowest in the seafood segment, trailing Skipper's by a slight margin.

But a turnaround appears imminent under the direction of financial and administrative-oriented John Tobe, who was promoted to president and chief executive officer in 1984 in the wake of flat traffic counts, steady earnings dips and falling stock prices.

Since then Long John Silver's has hired a new advertising agency that broke a new campaign ("Sounds Good to me"), and it has instituted a major redesign of facilities using multiservice points as opposed to the previous single cafeteria line and a unit remodeling undertaking to obtain a more contemporary and airier look. Some 200 company shoppes were scheduled for refurbishment in fiscal 1985 and the remaining units within a three-year period.

Tobe has also reduced reliance on couponing and discounting programs and worked to install a new (and well-received) "Chillers" product line. An ocean chef salad was added to the line this summer. Sales gains were also derived from introductions of "kitchen breaded" fish, catfish and chicken.

With stepped-up expansion plans under way and fish costs locked in through June 1986, "everything, at last, is going Jerrico's way," said Prudential-Bache analyst Michael Culp.

Until the weather-impacted third fiscal quarter, unit sales at Long John Silver's were showing reasonable gains and the fourth quarter sales struck a responsive chord; volumes in April alone were up 6%. Systemwide sales in 1985 were expected to reach $643 million, as compared with 1984's $602 million. Analysts are predicting a much better outlook for fiscal 1986, when they estimate sales to reach $716 million.

TOP FISH CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
22	21	**Long John Silver's**	June	$716.0	$643.4	$602.3
59	59	**Captain D's**	Oct.	272.0	236.1	216.7

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP FISH CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
17	16	**Long John Silver's**	June	1,465	1,375	1,355
49	49	**Captain D's**	Oct.	500	456	426

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP FISH CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
72	71	**Captain D's**	Oct.	$574.0	$539.0	$521.0
76	75	**Long John Silver's**	June	515.0	478.0	459.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

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Snack chains unfazed by health, nutrition trends

Despite facing newly health- and weight-conscious consumers who are demanding lighter menus, snack chains—led by Dairy Queen, Häagen-Dazs, Dunkin' Donuts and Orange Julius—are appearling to America's sweet tooth with increasingly heavy and calorie-laden fare.

Sales for many ice cream chains, flat for well over a decade, have taken off on the wings of high-butterfat, super-rich, "super-premium" products that appeal to an increasingly upscale market.

In doughnuts growth has remained steady for years, with the major chains (except, perhaps, segment leader Dunkin's Donuts) content to keep profiles low.

"There certainly is an upscale market to tap,' noted Harris Cooper, president of Dairy Queen International. With more than 4,800 units and $1.25 billion in sales last year, Dairy Queen continues to roll out its Queen's Choice line of 14% butterfat ice cream. It now accounts for about 6% of sales across the one-third of the chain that sells it. The chain also recently began offering the Blizzard, a combination soft-serve ice cream and crushed cookies or candy served in a cup. The chain has also added ice cream cakes and logs.

Officials estimate the chain will bring in $1.52 billion in sales for fiscal 1985, ended Nov. 30, on average unit volumes of $275,000. Parent company International Dairy Queen, which also operates about 140 Golden Skillet restaurants, projects a net profit of $7.8 million for the year, with revenue topping $142 million.

> *'Sales for many ice cream chains have taken off on the wings of high-butterfat, super-rich, super premium products.'*

Projecting sales of $519 million by its Dec. 31 year-end, 2,565-unit Baskin-Robbins has offered two "superpremium" products for some time—its French vanilla and chocolate fudge—and will roll out more later this summer. The chain, owned by London-based Allied Lyons North America Corp., is busy remodeling many of its units and expects to open 150 new stores by year-end. Only 60 are company owned.

For Yonkers, N.Y.-based Carvel, 1984 systemwide revenue was $190.3 million on average unit volumes of $226,000, according to spokesman William Schick. Only two of the chain's 850 units are company owned. On the subject of superpremium trends, Schick said: "We expect the new fad brands will come and go. A few years from now it will be something else. A few years ago it was the Chipwich."

David Wilkof, vice president of Santa Monica, Calif.-based Orange Julius International, calls his company a "franchisor of fast food with a proprietary drink." The 766-unit chain operates in all 50 states, Puerto Rico, Canada and the Far East, selling its line of fruit-juice-based drinks in seven varieties—orange, strawberry, peach, lemon, banana, pineapple and Piña Colada. They are priced at 85¢ (small), $1 (medium) and $1.15.

Other menu offerings include hotdogs, burgers and nachos. The company tested two new nacho varieties several months ago, reformulated and has begun testing anew. Two sizes come with tomato and/or shredded beef and sell for 99¢ to $2.99. Also being rolled out is a new cream-based drink, the Cream Supreme, in Tropical and Raspberry. Those flavors sell for $1.19, $1.39 and $1.59. Unit expansion by year-end will include 35 to 40 units in the United States and 10 to 12 in Canada.

The company recently entered into a definitive agreement with New York-based Custom Creamery Systems Inc. to be purchased for approximately $15 million in cash and common stock purchase warrants. Custom Creamery will change its name to Orange Julius International Inc. when the deal is signed.

"We're in a very unexciting segment of this business," said Fred Huggins, president of International Multifoods' 576-unit Mr. Donut chain. "This is probably the only segment I know of in the food industry that's the same as it was in 1965. It's the nature of the segment and the . . . type of business we're in, basically."

"The current of change is not sweeping through the doughnut business," said spokesman David Crawley of Denny's Winchell's chain. "I don't know of any huge groundswell of change as in fast food. People will always eat doughnuts, no matter how much health food they eat. That's the doughnut business. Mothers will always bring home a dozen doughnuts and then tell the kids not to eat too many of them."

Vincent Lambiase, Winchell's president, noted that "for a while, doughnuts weren't on the most-wanted list, for nutritional reasons. But health interest has dropped off. Snacks are still a special treat, and people are treating themselves."

For 865-unit Winchell's, growth is tied to a three-pronged strategy of broadening menus, offering price incentives to customers who buy by the dozen and beginning widespread franchising. All but 29 stores are company owned. With Winchell's franchising brochure "just off the press," officials are targeting a modest 30 to 50 franchised units over the next 12 months. All will be in the West, where name recognition is high. With parent Denny's Inc. concentrating on expanding its El Pollo Loco concept, Winchell's will remain simply "a nice cash generator," Crawley said. Menu additions will include sandwiches and baked goods.

At Mr. Donut 65% to 70% of sales continue to come from doughnuts and fresh-brewed coffee. Rollouts of baked goods, such as biscuits, have netted about 12% of sales. No new products are scheduled for rollout next year.

The chain, though growing by 80 units in 1984 and 81 in 1985, maintains only one company store. Franchising will become more of a priority. Officials pulled the concept out of the Far West seven years ago, where per-capita consumption could not keep up with construction costs. Expansion will be limited to the 28 Eastern states where the chain now operates. The company recently sold rights to the Mr. Donut name and logo for Japan to Duskin Inc., a franchisee since 1970. The chain also operates in 10 foreign countries.

For Robert Rosenberg, chairman and chief executive of 1,418-unit Dunkin' Donuts, the "full-court press is on" in the form of new product introductions. The chain rolled out ice cream cookies and muffins in 1983, the latter now accounting for almost 5% of sales; a year later it introduced cookies and brownies, which bring in 2½% of sales, Rosenberg said. In December and January the chain introduced biscuits into 200 stores in the West. They account for 3% of sales.

This year the chain introduced its line of croissants into 600 units in the Northeast: plain, fruit-filled, almond and chocolate.

TOP SNACK CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
8	7	**Dairy Queen**	Nov.	$1,520.0	$1,250.0	$1,300.0
26	25	**Dunkin' Donuts**	Oct.	594.0	532.1	475.8
31	29	**Baskin-Robbins**	Dec.	519.0	470.0	455.0
78	72	**Carvel**	Dec.	198.0	190.3	182.9
85	76	**Winchell's**	June	185.0	183.0	182.1
94	91	**Tastee Freeze**	Dec.	155.1	151.0	146.0
96	99	**Mister Donut**	Feb.	151.1	134.5	116.4

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP SNACK CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
5	4	**Dairy Queen**	Nov.	4,800	4,789	4,784
11	9	**Baskin-Robbins**	Dec.	2,565	2,500	2,339
18	17	**Dunkin' Donuts**	Oct.	1,418	1,359	1,291
28	25	**Winchell's**	June	860	866	865
29	27	**Carvel**	Dec.	860	842	828
34	33	**Mister Donut**	Feb.	737	656	576
41	36	**Tastee Freeze**	Dec.	595	598	620

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP SNACK CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
84	85	**Dunkin' Donuts**	Oct.	$437.6	$416.5	$391.6
89	89	**Tastee Freeze**	Dec.	325.0	300.0	225.0
92	92	**Dairy Queen**	Nov.	275.0	228.3	270.0
94	93	**Carvel**	Dec.	234.0	226.0	221.0
96	95	**Winchell's**	June	215.0	215.0	212.0
97	97	**Mister Donut**	Feb.	205.0	205.0	202.0
98	98	**Baskin-Robbins**	Dec.	202.4	188.0	194.5

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

SNACK SEGMENT PRICE DATA

For Selected Chains

	Average Per-Person Check (By Fiscal Year)			Annual Price Increases (By Fiscal Year)		
Chain	Current	Last Full	Previous	Current	Last Full	Previous
Dairy Queen	—	—	—	3.5%	4.5%	5.0%
Dunkin' Donuts	—	—	—	2.5	2.5	2.5
Baskin Robbins	$3.00	$2.75	$2.00	6.0	6.0	4.0
Mr. Donut	—	—	—	2.0	2.0	2.0
Tastee Freeze	2.85	2.85	2.50	3.5	3.0	3.0
Winchell's	—	—	—	5.0	3.0	—

Source: *NRN* research

Leading dinnerhouses working hard at retooling

By Rick Telberg

Many of the nation's leading dinnerhouse chains, recently chastened by surprisingly soft sales trends, are retooling at a furious pace to recapture consumers who are dining lighter and drinking less.

"You have to remember, though," said one ranking executive who was blindsided by suddenly fickle consumer tasters, "a chain of 10,000-sq.-ft. facilities cannot turn on a dime. It's going to take hard work for us to keep up with the patron."

By all the evidence, however, dinnerhouse chains are indeed working hard:

- Red Lobster, the seafood chain that dominates the dinnerhouse business, with about 370 restaurants and more than $800 million in sales, plans to resume physical expansion this year. About 25 newly retooled gray-and-blue units are due. But the chain has back-burnered the most costly components of a planned facelift.
- Chi-Chi's, convinced it has eliminated the operational bugs in a fajitas rollout that squeezed margins, plans a tempered 30% expansion rate this year, partly with downsized buildings in existing markets, a strategy that has, at least temporarily, cannibalized sales in the past.
- El Torito, the granddaddy of the Mexican dinnerhouses, which so far has avoided Chi-Chi's missteps, is earning customer frequency with an increasingly sophisticated menu and is growing in new markets by converting acquired properties instead of building-to-suit.
- Bennigan's, its sales growth flattened last year by reduced alcohol sales, is garnering fatter food checks with newly broadened menus that feature Cajan cooking inspired by chef Paul Prudhomme of New Orleans.
- T.G.I. Friday's, which boasts the highest-grossing units in the business, is wrestling labor costs back into line after a year of frenetic expansion and softened traffic counts.
- Stuart Anderson's and Steak & Ale, mature old-line steer palaces that churn out profits like cash cows, are seeking sales gains by softening their edges for more casual-minded diners. Despite their matured concept, both are slated for heady expansion.

Red Lobster Reignites Expansion

With a new management structure in place that executives hope will foster entrepreneurial flexibility, Red Lobster, the flagship of the General Mills restaurant group, is emerging from a period of reconditioning in a newly spirited fighting mood.

It has dropped its long-running "For the seafood lover in you" ad pitchline for "There's never been a better time . . . or a better place . . . for seafood."

Executives believe the new theme stresses variety, freshness, service and ambience.

Sure to come is a boost in ad spending, which last year totaled $30 million on television, less than only McDonald's, Burger King's, Wendy's, Kentucky Fried Chicken's and Pizza Hut's.

In addition, the company is tinkering with a fast-food take-out version of Red Lobster subtitled Seafood Express, which apparently would build on the chain's plunge into party-platter sales last year.

New units, the first to come after a year's hiatus, are scheduled in cities as the chain seeks high-volume facilities.

On the agenda: Chicago, where Red Lobster boasts that 1 of every 2 residents eats at one of the 16 Red Lobsters at least once a year; New York, where one of the chain's highest-grossing units is located in an outer-borough shopping area; Cincinnati; Dallas; Atlanta; and Kansas City.

The stage for Red Lobster's renewed expansionism was set earlier this year, when division president Joe Lee said the units were staging a dramatic rebound earlier and at less cost than was expected last year, when a crash revitalization program was launched.

Lee said new training, menu expansion and advertising programs had been so effective that a remodeling program that included the addition of oyster bars and mesquite grills was slowed to half its planned rate.

He also said he would save about $40 million, which the General Mills division could redeploy into new concepts after the sale of three smaller chains.

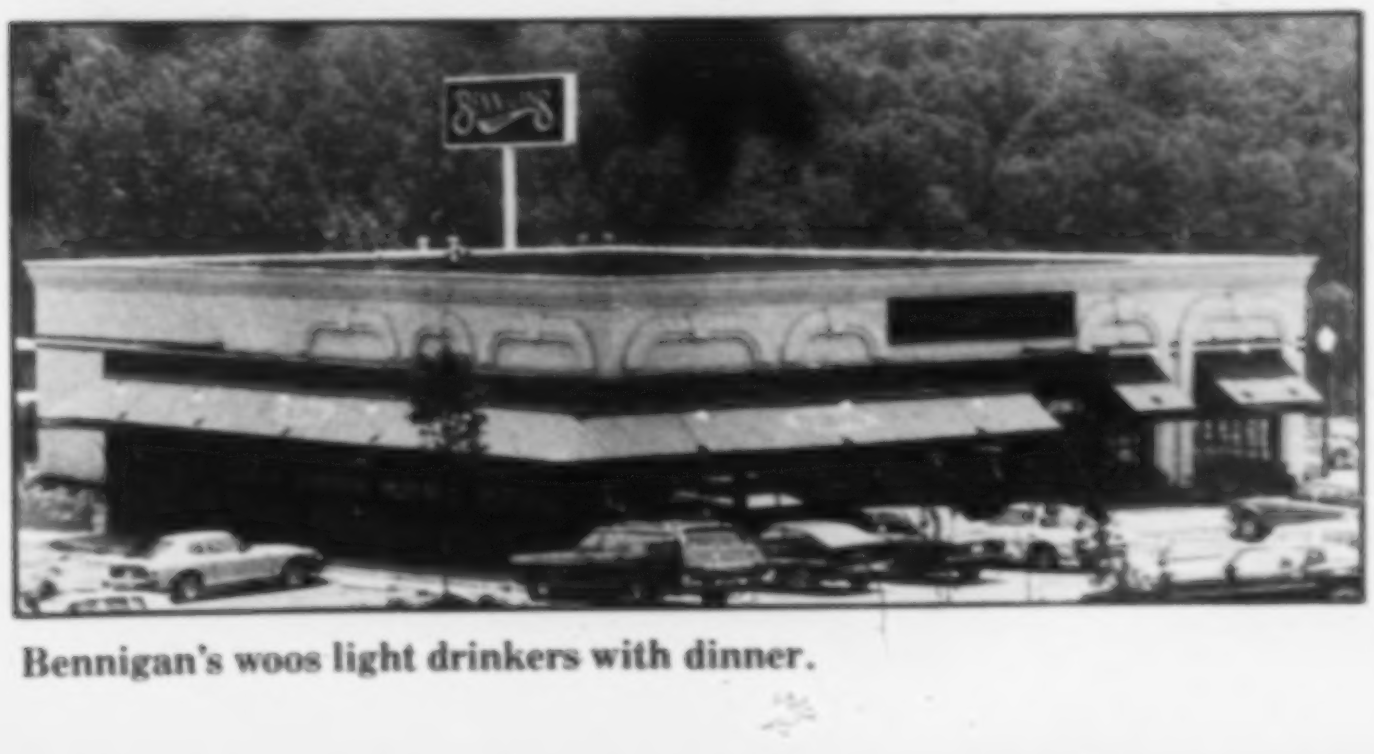
Chi-Chi's Sees Rebound

After a year in which its earnings headed south from reduced sales and narrowed margins, executives at Chi-Chi's see all their sacrifices coming to fruition this year.

Chi-Chi's executives said they believe that clustering new units in existing markets can only help in the long run, and that the costly rollout of eight grilled beef and chicken dishes, which

(See **DINNERHOUSES**, *page F36*)

Chi-Chi's plans expansion with downsized buildings.



Bennigan's woos light drinkers with dinner.

TOP DINNERHOUSE CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
16	14	Red Lobster	May	$938.8	$827.0	$775.0
38	43	Chi-Chi's	April	425.0	335.0	263.0
40	37	Bennigan's	May	420.0	375.0	343.8
42	44	T.G.I. Friday's	Dec.	373.8	333.5	278.9
46	57	El Torito	Dec.	332.6	250.1	210.7
52	51	Stuart Anderson's	June	303.7	276.7	254.2
55	52	Steak and Ale	May	288.3	275.0	264.2
62	58	Ground Round	Dec.	267.1	240.4	228.4
100	98	Brown Derby	Dec.	142.0	140.0	139.0

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP DINNERHOUSE CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
57	57	Red Lobster	May	395	370	367
74	82	Chi-Chi's	April	225	173	136
80	73	Ground Round	Dec.	210	215	225
81	81	Bennigan's	May	202	177	148
83	80	Steak and Ale	May	186	181	178
85	88	El Torito	Dec.	165	125	114
90	92	Stuart Anderson's	June	129	119	109
94	94	T.G.I. Friday's	Dec.	115	102	83
99	99	Brown Derby	Dec.	59	52	59

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP DINNERHOUSE CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
5	4	T.G.I. Friday's	Dec.	$3,250.0	$3,270.0	$3,360.0
8	9	Stuart Anderson's	June	2,700.0	2,500.0	2,500.0
9	8	Brown Derby	Dec.	2,540.0	2,520.0	2,370.0
12	14	Red Lobster	May	2,380.0	2,235.0	2,120.0
13	13	Bennigan's	May	2,350.0	2,250.0	2,250.0
14	16	El Torito	Dec.	2,197.0	2,133.0	1,946.0
15	15	Chi-Chi's	April	2,175.0	2,180.0	2,190.0
21	22	Steak and Ale	May	1,520.0	1,500.0	1,480.0
28	30	Ground Round	Dec.	1,272.0	1,118.0	1,015.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

DINNERHOUSES

'We're racing, expanding on the East Coast to define our Mexican food concept as the way to do it.'

(Continued from page F35)

required added kitchen equipment, could turn profitable this year.

"Store sales declines have moderated and are beginning to improve," said chairman and chief executive Shelly Frank in releasing the Louisville, Ky., company's year-end financial report.

Wayne Jones, new senior vice president of marketing, added: "Clustering is the best strategy of ensuring your long-term growth. I'd rather compete against myself for several years than against others trying to establish presence in a market."

A new advertising campaign, Jones said, touts Chi-Chi's "chiesta," which is "a Chi-Chi's style fiesta that speaks to freshness and quality."

El Torito Races Eastward

El Torito, the California-based Mexican dinnerhouse contender, has staked out the East Coast for expansion, after staving off Chi-Chi's advance into California and shying away from the Midwest, where Chi-Chi's defined Mexican food.

"We're racing," said Mike Casey, El Torito's executive vice president. "We're expanding aggressively on the East Coast to define our Mexican concept as *the* way to do it."

El Torito, which has franchised in only New York and Alaska, where special expertise is required, was buttressed last year by the acquisition of 24 Casa Maria Mexican dinnerhouses from Marriott Corp.

Those are now being methodically converted to El Torito concepts, which operates Mexican dinnerhouses under a variety of banners to avoid sales cannibalization.

But in its core markets, El Torito competes against the gamut of dinnerhouses. "Our customer base is very similar to a T.G.I. Friday's or a Bennigan's or a Houlihan's," Casey said.

Bennigan's Goes Cajun

Lane Cardwell, vice president of strategic planning at the Pillsbury Co. division that runs Bennigan's, agreed with El Torito's Casey.

"In the casual dining segment,' Cardwell said, "our customers are less driven by traditional meal periods. There's more reflexive, more impulsive buying.

"We do notice, if not a decline in traditional dinnerhouses, then an increase in casual-dining establishments," said Cardwell at S&A Restaurant Corp., which also operates the Steak & Ale chain.

Steak & Ale, he said, continues to "deformalize" by eliminating costumes for its service staff, brightening the interiors with more light, using less intimidating ornaments and, for the past five years, dropping the coat-and-tie rule.

The difference between a Bennigan's-style establishment and a Steak & Ale-style restaurant was drawn neatly when Cardwell noted that Bennigan's customers return two to three times a week while a Steak & Ale patron comes two to three times a month.

"In the long run," Cardwell said, "the growing percentage of two-income households, the time constraints that creates and the income it generates, will translate into increased frequency."

Bennigan's is rolling out its Cajun entrées as part of "the ethnicization of American food," in Cardwell's terms. "We can follow food trends very easily," he noted.

T.G.I. Friday's Eyes Diversification

Perhaps no mere coincidence, T.G.I. Friday's, which is Bennigan's chief rival, is considering a Cajun counter attack of its own, according to president and chief executive Daniel Scoggin.

He indicated recently that T.G.I. Friday's, which made fern bars into theme-restaurants, is toying with a menu line in "the blackened area," as in New Orleans-style blackened redfish.

The company is also developing a new 8,300-sq.-ft. downsized building that features a smaller kitchen.

But T.G.I. Friday's march to become a multibillion-dollar company hinges on the development of other concepts.

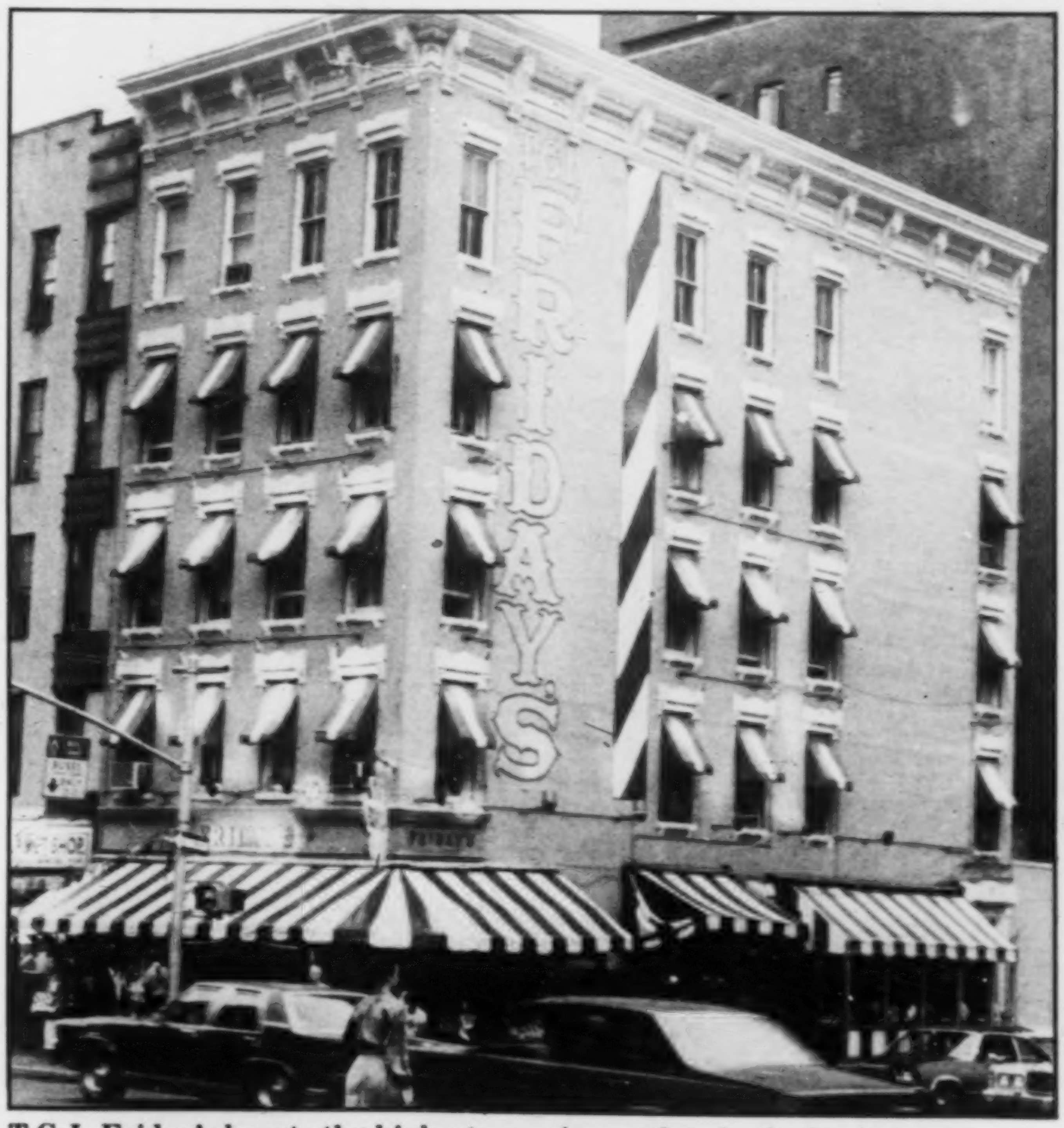
Dalts, a chain headed for 20 units next year, picks off a market priced about $3 less than the typical T.G.I. Friday's niche.

DINNERHOUSE SEGMENT PRICE DATA

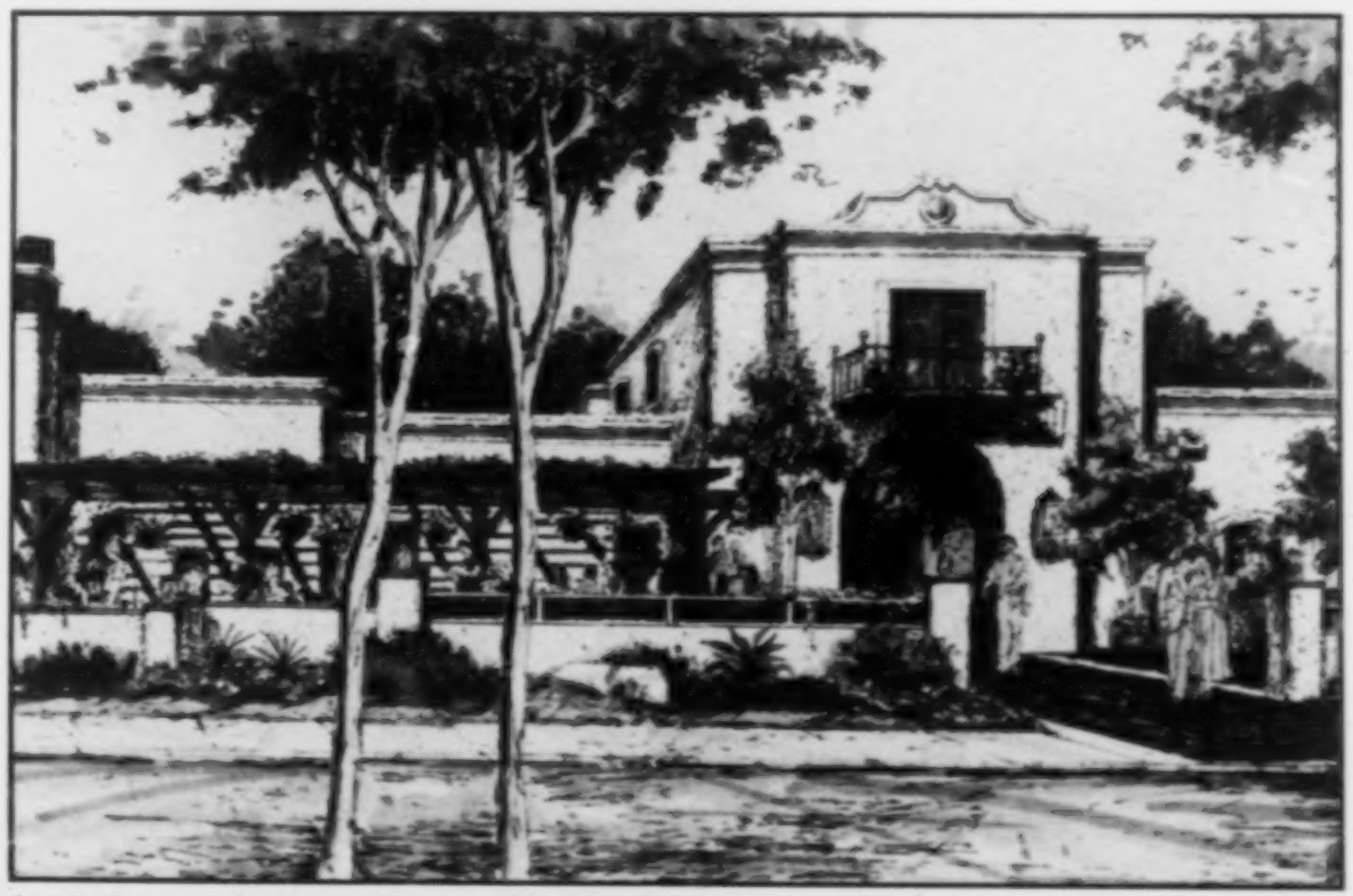
For Selected Chains

	Average Per-Person Check (By Fiscal Year)			Annual Price Increases (By Fiscal Year)		
Chain	**Current**	**Last Full**	**Previous**	**Current**	**Last Full**	**Previous**
Red Lobster	$11.00	$10.50	$10.00	2.6%	5.3%	—
Chi-Chi's	8.95	8.85	8.78	4.0	1.0	3.0%
Bennigan's	8.40	8.00	7.62	5.0	5.0	5.0
T.G.I. Friday's	10.25	9.95	9.65	3.0	3.0	3.0
El Torito	10.97	10.45	9.89	5.0	5.7	2.6
Steak & Ale	13.51	13.00	12.53	3.9	3.9	3.9
El Chico	5.82	5.76	5.69	1.0	1.0	0.0

Source: *NRN* research



T.G.I. Friday's boasts the highest-grossing outlets in the business.



Artist's rendering of an El Torito

Outside view of one of Steak and Ale's steer "palaces."

Family restaurant chains eye broader market bases

Encouraged by demographic forecasts of continued growth in the ranks of the mature adults who are their most loyal and affluent customers, the nation's coffee shop-family restaurant chains are cautiously seeking broader market bases through a host of repositioning schemes.

Upgraded and higher-ticket dinner offerings, pie bakery retrofits, regionalized menus and the apparent desire of some chains to rid themselves of their traditional "vanilla" images figure as some of the strategic factors currently shaping the segment's future.

But restraint is tempering the marketing outreach of coffee shop chains. Though many competing concepts are seeking to distinguish their brand identities through unique menu offerings or atmospheres, most players remain mindful that a conservative, homogeneous, middle-of-the-road image has been the historic basis for coffee shops' mass-market appeal.

Some executives of major coffee shop-family restaurant chains cite their marketing-budget superiorities as the basis for market-share gains they have purportedly made at the expense of weaker independents—who account for an estimated 80% to 85% portion of the $35 billion coffee shop segment.

Other analysts, however, see a trend toward "disintegration" or further "nonconsolidation" in that relatively small portion of the overall coffee shop market that is controlled by the big chains.

Symbolic of this trend, some said, is the growing, high-per-store-volume Shoney's chain. With exceptionally strong field and unit management characteristics that bigger chains often lack and with a solid base in the South, Shoney's became poised for broader expansion when it severed its franchise bonds to the Marriott Big Boy system.

As they struggle to maintain some semblance of their historic growth profiles, the Denny's and the Big Boys are left to envy those few fast-food chains that thoroughly dominate their respective category. Coffee shop chains big and small are feeling ongoing pressure from the fast feeders, which remain more agile in their responses to market trends while they steadily carve inroads into the total share of consumer spending for all day parts, especially breakfast.

Already the least able of all segment leaders to dominate their particular market, the big coffee shop chains are doing some heavy soul searching over just how to maintain what grasp they have.

The jury is still out on whether Marriott's concessions of territories and operating restaurants to rebellious and litigious Big Boy franchisees—and the company's other efforts to unify its chain since the defection of Shoney's and Elby's—will foster long-lasting growth synergy.

Debt-saddled Denny's, vowing that it will not lose its numerical edge as segment leader, has had to curb the longstanding acquisition—conversion appetite that gave it 22% of its current chain. Along with pledging its assets to cover $753 million in LBO debt, Denny's has paid the additional price of constraint—from bidding against Vicorp on the lucrative remnants of Sambo's or perhaps from tilting with ex-Diversifoods president Donald N. Smith for part of the 80% stake in Perkins being spun off by Holiday Corp. Or from vying meaningfully for a share of the Howard Johnson's coffee shop fleet that is up for sale.

Though it claims to have already paid off $50 million of its LBO debt ahead of schedule, Denny's may be out of contention for quantum market-consolidation moves for some time—forced instead to struggle from square one with its new franchising expansion strategy as it reportedly considers the expeditious unloading of certain of its assets and the layoffs of hundreds of workers.

Similarly, Vicorp has had to stop buying up other chains while it eats the high costs of assimilating its Sambo's purchase and converting it to the Baker's Square and Village Inn concepts. But while Vicorp's management has financially conceded 1985 as a no-growth year for earnings, the company is buoyed in its long-range outlook by early signs of success in initial conversions of Sambo's units—many of them the defunct chain's historically best stores.

In California, where Vicorp is opening Baker's Square pie bakery-coffee shop conversions at the rate of about one a week, chains like Coco's and Denny's have responded with a handful of their own pie-department retrofits—Coco's as the first phase of planned chainwide additions and Denny's one-store retrofit in La Mirada as a test only. "We're pushing them

*(See **FAMILY**, page F42)*

TOP FAMILY RESTAURANT CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
10	10	Big Boy	Dec.	$1,210.0	$1,100.0	$1,400.0
13	12	Denny's	June	1,164.8	1,060.0	975.0
27	27	Shoney's	Oct.	590.0	514.3	424.5
35	33	Friendly Ice Cream	Dec.	473.3	427.1	383.5
37	32	Howard Johnson's Restaurant	Oct.	460.5	438.4	434.6
57	49	Perkins	Dec.	285.0	283.0	270.0
66	60	International House of Pancakes	Dec.	241.0	230.5	214.3
71	85	Po Folks	Sept.	222.0	159.4	90.0
82	86	Village Inn	Oct.	189.0	157.3	143.0

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP FAMILY RESTAURANT CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
20	19	Denny's	June	1,239	1,140	1,038
23	22	Big Boy	Dec.	1,018	925	1,250
32	29	Friendly Ice Cream	Dec.	750	710	669
40	35	Howard Johnson's Restaurant	Oct.	612	600	811
44	41	Waffle House	Dec.	567	523	486
50	52	Shoney's	Oct.	498	433	458
52	47	International House of Pancakes	Dec.	464	459	458
63	61	Perkins	Dec.	312	312	309
64	76	Village Inn	Oct.	275	200	182
67	68	Country Kitchen	Dec.	260	242	268

*Ranking refers to Top 100 Chains: Ranked by Number of Units

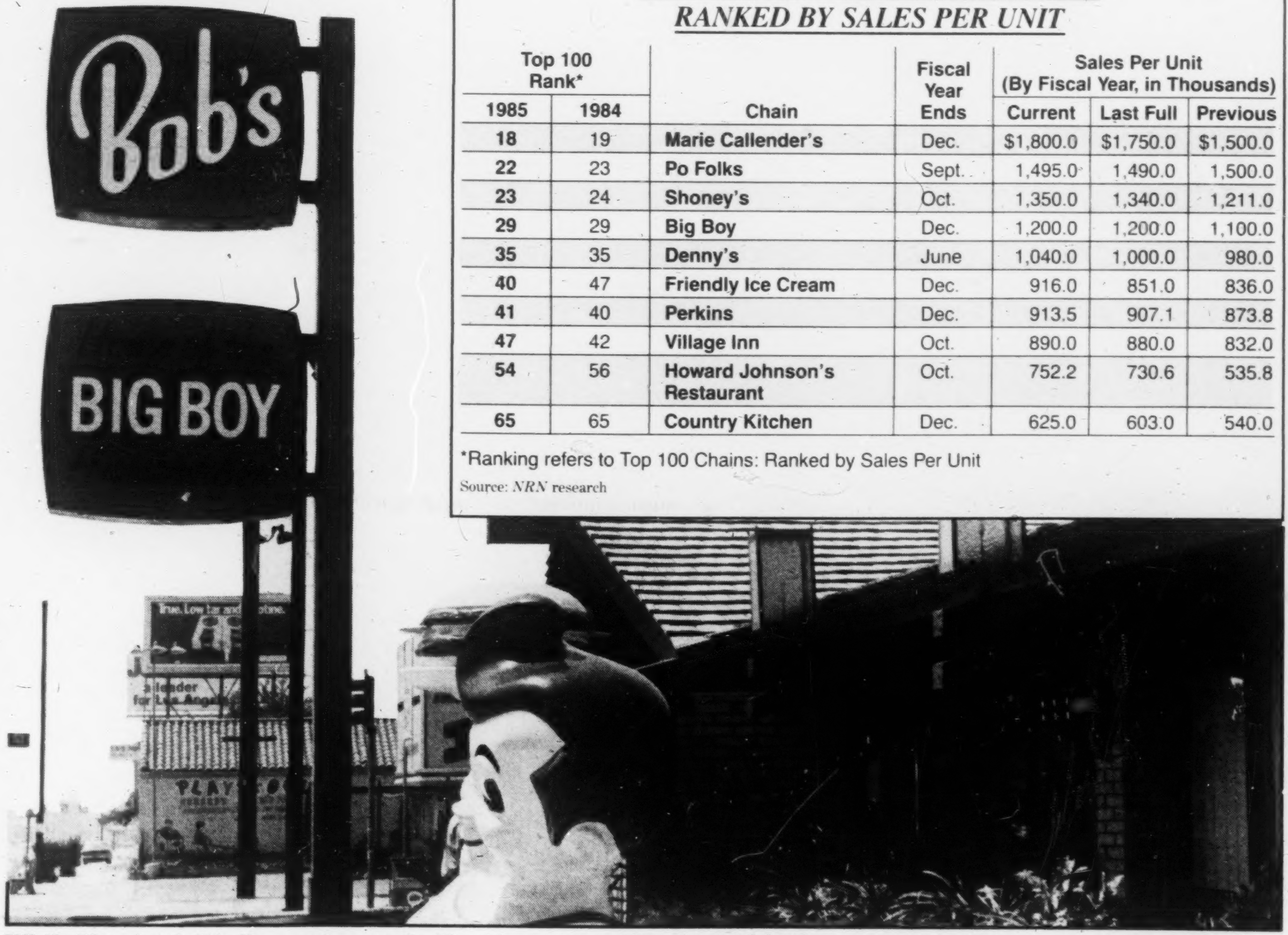
Source: *NRN* research

TOP FAMILY RESTAURANT CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
18	19	Marie Callender's	Dec.	$1,800.0	$1,750.0	$1,500.0
22	23	Po Folks	Sept.	1,495.0	1,490.0	1,500.0
23	24	Shoney's	Oct.	1,350.0	1,340.0	1,211.0
29	29	Big Boy	Dec.	1,200.0	1,200.0	1,100.0
35	35	Denny's	June	1,040.0	1,000.0	980.0
40	47	Friendly Ice Cream	Dec.	916.0	851.0	836.0
41	40	Perkins	Dec.	913.5	907.1	873.8
47	42	Village Inn	Oct.	890.0	880.0	832.0
54	56	Howard Johnson's Restaurant	Oct.	752.2	730.6	535.8
65	65	Country Kitchen	Dec.	625.0	603.0	540.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research



While Marriott's Big Boy system ranks No. 1 in systemwide sales within the segment, its future growth is uncertain.

FOCUS NRN

FAMILY RESTAURANTS

'Debt-saddled Denny's has had to curb its longstanding acquisition/conversion appetite.'

(Continued from F40)

faster than they might have wanted," claimed Mary Hacking, Vicorp marketing vice president.

Buck Fredrickson, Vicorp president, credited southern California-based Marie Callender's with the creation of a California "pie culture that doesn't exist elsewhere." The first 20 Baker's Squares to open on the West Coast have averaged sales of more than $20,000 a week without full-blown advertising—and with pie-take-out sales so far running only about 1/3 of the chain's Midwest pie-to-go volume.

"We seem to be finding a niche; I don't know if it's at anyone's expense, but our initial unit volumes are gratifying, to say the least," remarked Fredrickson.

In Midwest, Florida and Arizona markets, Vicorp is repositioning its Village Inn chain away from a pancake-house image to that of a "family restaurant-bakery." New products, mostly salads and the Baker's Square baked-goods lineup, have boosted the volumes of revamped Village Inns by 10% and higher, without price increases. The recent launch of a breakfast daypart in Midwest Baker's Square outlets has also reportedly yielded "phenomenal" results for Vicorp.

But as fast feeders score most of the incremental points being racked up from the industrywide breakfast-market surge, coffee shop chains are recognizing dinner as a key daypart having what may be the greatest potential for growth.

Denny's has pinned high hopes on its anticipated fall rollout of regional American dinner specialties, following the addition of several upgraded dinner offerings throughout the chain this past spring.

Struggling to build momentum, IHOP Corp. has cleverly merchandised new dinners from what was a negligible contribution just a few years ago into about 15% of its current sales mix. Marketing vice president Stephen Petisse now calls dinner "a respectable percentage of the business."

Bob Evans Farms, beginning to leap-frog into the Florida and Georgia Sunbelt after achieving exemplary success on its rust belt-frost belt home turf, has moved upscale with its new dinner program.

Opting away from a "meatloaf-and-stew approach" to dinner, Bob Evans Restaurants have raised their pricing structure from a top end of $5.45 to a new high-ticket limit of $7.95 (for a 10-oz. rib-eye steak—one of its popular new pork-chicken-fish-steak charbroiled dinners).

Shoney's South, though its breakfast bar has fueled a good deal of its growth in the last two years, has turned much of its attentions to dinner promotions, such as that of all-you-can-eat shrimp.

In addition to menu enhancements, chains are continuing to make cost-effective improvements to their physical plants. Although most of Milwaukee-based Marcus Corp.'s 63 Marc's Big Boy units have had to endure flat sales patterns recently, a dozen Marc's outlets have boosted sales by more than 25% from greenhouse remodelings.

Accepted wisdom seems to hold that fast food is one of the biggest threats to the coffee shop segment. But there are those industry pundits—considering that the hamburger remains a coffee shop menu staple of major significance—who see threats looming from another direction.

These seers believe that if the so-called upscale or gourmet hamburger segment ever congeals and penetrates more markets, then atmosphere-rich burger-specialty concepts like Chili's and Red Robin—offering full bars just like a growing number of Denny's—could pry away lots of potential and current coffee shop traffic.

Marriott's Los Angeles-market Big Boys and Friendly may have already begun to address that possible scenario by installing large, heavily dressed specialty burgers on their latest menus. Marriott has launched its new "Juicy Giants" selection on the heels of Friendly's rollout of $2.85 ½-lb. sirloin burgers, sold with a variety of cheeses and toppings.

FAMILY RESTAURANT SEGMENT PRICE DATA

For Selected Chains

	Average Per-Person Check (By Fiscal Year)			Annual Price Increases (By Fiscal Year)		
Chain	Current	Last Full	Previous	Current	Last Full	Previous
Denny's	—	—	—	3.0%	3.0%	3.0%
Shoney's	—	—	—	1.60	6.3	3.9
Int'l House of Pancakes	—	$3.50	$3.50	2.0	1.5	2.0
Po Folks	$3.69	3.62	3.58	2.0	1.0	—

Source: *NRN* research

Above, latest exterior design of International House of Pancakes unit. Below, typical Shoney's coffee shop.

Inside the kitchen at a Denny's unit.

FOCUS | NRN

Family steakhouses expanding menu offerings

By Ken Frydman

Family steakhouse chains are diversifying their menus by adding chicken and fish entrées, sandwiches and elaborate salad bars in an effort to widen their market base to include nonred meat consumers.

The market's big guns—Bonanza and Ponderosa—are leading the metamorphosis from the old "meat and potatoes" days of yesterday to the well-rounded menu times of today.

Bonanza's 60-item Freshtastiks food bar signaled the first real move toward segment reorientation—from budget steakhouses to family steakhouses—two years ago. Since then, Ponderosa has followed suit with its own systemwide version, a salad and breakfast buffet.

And where Ponderosa and Bonanza lead, Western Sizzlin', Sizzler, Golden Corral, Mr. Steak, Quincy's, York and Western Steer are sure to follow.

"We're all trying to appeal to families who want more than steak and potatoes," said Tom Buckley, executive vice president of finance of USACafes, the 575-unit Bonanza's parent company. "And that means adding lighter, more healthful items like fish and chicken to our menu line."

Quincy's, which has grown from eight units in 1977 to more than 200 today, is currently testing fried chicken strips as well as chicken and seafood entrées.

"The consumer dictates the evolution of menu items, so we're always working with new products," said Charles Bradshaw, chairman of the board of Spartan Food Systems, Quincy's parent company and a division of Trans World Corp. "If these test items fit into our operating mode, we'll add them systemwide," he added.

Ted Fowler, president of the 436-unit Golden Corral chain, saw the "evolution continuing among family steakhouse operations. Everyone is upgrading the quality of their meats and other products."

Golden Corral's own evolution is continuing on schedule, according to Fowler. The chain has added 90 new stores since 1984 and is "looking for a record year of $275 million in systemwide sales during fiscal 1985," he said.

Western Steer Mom 'n' Pop's has also gotten into the act. The 187-unit chain projected a record year for revenues ($41.2 million) and net earnings ($1.368 million) in fiscal 1986.

"We're evolving into a more family-style concept," said Jack Harmon, Western Steer's vice president of administration. "We don't serve alcohol, and we're running a real streamlined ship here that we'll benefit from.

Ponderosa is also in the midst of streamlining itself, following a $3 million loss in the last quarter of fiscal year 1985. The most dramatic restructuring has come in the internal executive ranks, where former vice president and treasurer James E. Thompson has replaced Donald R. Jackson, who recently resigned as chief financial officer of the chain.

"We've removed a layer in the chain of command to reduce the amount of paperwork and bureaucracy as much as possible," Thompson said.

Calling Ponderosa's disastrous 1985 fourth quarter a "fact of life," Thompson attributed it to a soft steakhouse market and "prolonged and severe pe-

*(See **FAMILY STEAKHOUSES**, page F50)*

PONDEROSA
STEAK DINNER

Ponderosa, above, and Bonanza are leading the metamorphosis from the old "meat and potatoes" days of yesterday to the well-rounded menu times of today by adding salad bars and even breakfast to their offerings.

TOP FAMILY STEAKHOUSE CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
23	20	Ponderosa	Feb.	$662.5	$694.7	$595.9
32	36	Western Sizzlin'	Oct.	500.0	400.0	300.0
34	34	Bonanza	Sept.	475.0	425.0	386.0
58	69	Golden Corral	Dec.	275.0	205.0	172.0
75	79	Quincy's	Dec.	209.9	174.9	138.3
79	74	Western Steer	Feb.	196.6	187.3	179.0
97	95	Mr. Steak	Dec.	147.0	148.0	170.0
99	97	York Steak House	May	142.9	141.9	139.8

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP FAMILY STEAKHOUSE CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
36	32	Ponderosa	Feb.	670	656	640
37	43	Western Sizzlin'	Oct.	640	510	475
38	37	Bonanza	Sept.	620	575	550
54	58	Golden Corral	Dec.	436	346	286
76	78	Quincy's	Dec.	218	198	163
77	75	Western Steer	Feb.	217	205	177
78	72	Mr. Steak	Dec.	215	217	248
91	87	York Steak House	May	127	129	130

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP FAMILY STEAKHOUSE CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
32	32	York Steak House	May	$1,125.0	$1,100.0	$1,075.0
36	34	Ponderosa	Feb.	988.8	1,007.0	857.3
37	39	Quincy's	Dec.	960.0	951.0	957.0
42	43	Western Steer	Feb.	906.0	871.9	844.0
46	50	Western Sizzlin'	Oct.	900.0	800.0	700.0
50	51	Bonanza	Sept.	840.0	780.0	734.0
55	57	Golden Corral	Dec.	750.0	720.0	705.0
61	60	Mr. Steak	Dec.	684.0	682.0	685.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

FAMILY STEAKHOUSES

Bonanza, a leading steakhouse, has 'lightened and brightened' its units physically as well as menu-wise.

(Continued from page F47)

riods of snow and extreme cold" in the company's primary Midwest trading area. High startup costs from the systemwide rollout of breakfast-salad bars also contributed to the loss.

Meanwhile, Ponderosa is expanding its overseas base of operations in England, Singapore and Taiwan, The Republic of China. "We also want to add 50 domestic Ponderosa's this year and 500 franchises over the next six years," said Dale Ridenour, the company's assistant treasurer.

Ponderosa's prime competitor, Bonanza, is "continuing to work on new products like a sandwich line" but will not mimic Ponderosa's breakfast buffet concept, according to Buckley.

"We think breakfast taxes the unit too much, putting strain on management and labor. We're not even considering adding a breakfast period," Buckley said.

While the evolutionary process continues in the family steakhouse segment, it is nearly complete at Bonanza, which has "lightened and brightened" its units physically as well as menu-wise, Buckley said.

"We think Freshtastiks led the way in the steakhouse segment change. Chicken, fish and sandwiches are just logical followups," Buckley said.

Mr. Steak, Western Sizzlin' and Sizzler are all testing with lighter, more nutritious menu items. "We're constantly exploring different items to add to the menu," said E. J. Maddocks, a spokesman for Western Sizzlin'.

FAMILY STEAKHOUSE SEGMENT PRICE DATA

For Selected Chains

	Average Per-Person Check (By Fiscal Year)			Annual Price Increases (By Fiscal Year)		
Chain	**Current**	**Last Full**	**Previous**	**Current**	**Last Full**	**Previous**
Ponderosa	$4.70	$4.56	$4.52	—	—	—
Sizzler	6.85	6.58	6.33	3.0%	3.0%	3.0%
Western Sizzlin'	7.00	6.75	6.25	2.0	2.0	2.0
Bonanza	5.00	4.85	4.75	1.5	1.5	6.5
Quincy's	4.80	4.92	4.76	0.5	5.0	2.7
Western Steer	4.70	4.65	4.60	0.0	0.0	0.0
York Steak House	4.70	4.70	4.49	0.0	2.3	3.0

Source: *NRN* research

Sizzler picks up steam, continues repositioning program

LOS ANGELES — Over the next two years, Sizzler Restaurant International plans to convert to Sizzlers 62 of the 100 Rustler's it acquired earlier this year for $15 million to $20 million from Tenly Enterprises.

Sizzler, which began its repositioning program two years ago, is in many ways the leader in the evolution. In fact, company executives claimed that they have moved the chain so far away from the traditional budget steakhouse format that it no longer competes with the likes of Ponderosa and Bonanza.

he 38 unconverted Rustler's will be either leased, sold or converted to Josephina's, Ed Debevic's or Gino's Easts, other restaurant concepts owned by Sizzler's parent company, Collins Foods International.

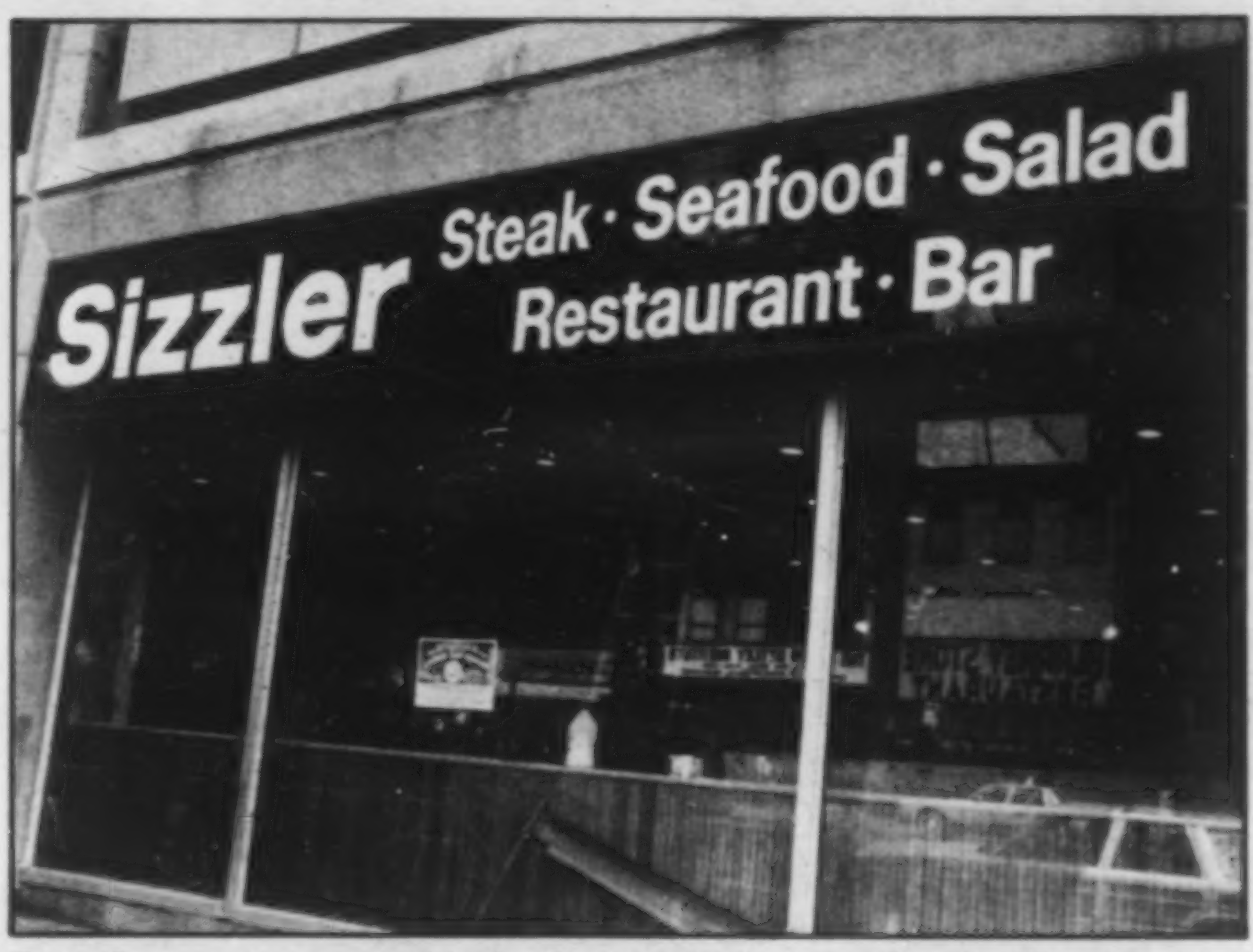
Four of the acquired Rustler's are in the process of being converted to Sizzler's, at a cost of $350,000 per unit, according to James McGinnis, Sizzler's vice president of administration. Eventually, 49 of the conversions will be company-owned and operated and the remainder franchised, he added.

Sizzler opened approximately 25 of 36 projected new units in the fiscal year ended April 30, for a net increase of 14 restaurants and a grand total of 465. Among the outlets sold or closed last year were the company's Emma's Taco House chain concept, which has been phased out.

Most of Sizzler's available cash reserve was spent on the Tenly acquisition. Tom Gregory, Sizzler's president, was reportedly attracted to Tenly because of the conversion possibilities of its Rustler units, which averaged per-store sales of approximately $800,000 last year.

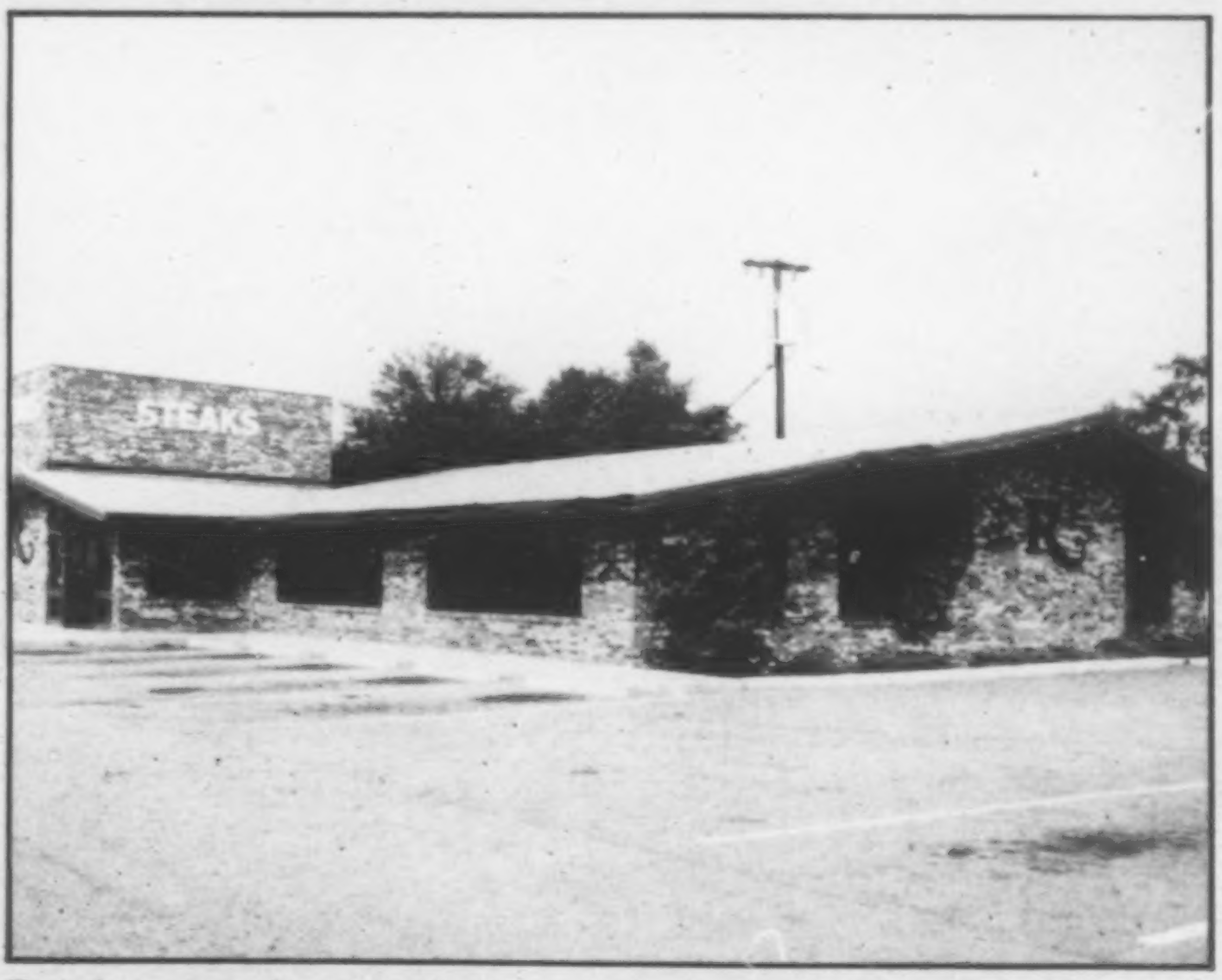
Company stores in the 70% franchised Sizzler system generate average annual sales of more than $1 million each, on average per-person checks of $6.65.

A two-year repositioning of the Sizzler concept, concluded last year, elevated the chain from the budget steakhouse segment into a limited-service, steak, seafood and salad niche.



Over the next two years, Sizzler Restaurant International will convert 62 of its acquired 100 Rustler's to Sizzler units.

Ryan's vying with larger chains introduces lighter fare on menu



Ryan's new product introductions include char-broiled chicken, broiled salmon and shrimp and fried fillet of flounder.

GREENVILLE, S.C. — The 40-unit Ryan's family steakhouse chain is following in the footsteps of its bigger rivals. Though still too small to make the Top 100, it represents the trends in the family-steakhouse business.

Ryan's has introduced a new product line geared toward health- and nutrition-conscious customers. Preceding Ryan's menu diversification, Bonanza, Ponderosa, Golden Corral, Western Steer, Mr. Steak and Quincy's all added lighter, more healthful items to their menus.

Supported by a limited advertising campaign, Ryan's new product introduction includes char-broiled chicken, broiled salmon and shrimp and fried fillet of flounder. The 30-item, self-ser-vice salad and soup bar costs $1.69 when it accompanies any entrée.

However, Ryan's menu diversification does not portend an entirely new direction for the eight-year-old chain. "The bulk of our business is still steak," said a spokesman for the chain. "Plenty of people out there still want meat and potatoes."

The publicly held Ryan's, which operates almost exclusively in Southeastern states, such as Kentucky, Tennessee and Georgia, had another reason for introducing the new products to its old menu line.

"The high utilization rate of our stores tended to keep same-store growth low in 1984, so we're trying to stimulate them with the new menu items," the spokesman explained.

Ryan's 17 new units are expected to boost revenue to approximately $50 million this year.

Cafeteria chains implement new, varied strategies

After a year marked by severe winter weather, the closing of 13 unprofitable Morrison units and the apparent demise of Duff's as a major player, cafeteria chains are refocusing on operations and testing new concepts for possible expansion.

"If it's a normalized year as far as weather is concerned, customer counts will be up," said Wall Street analyst Berton Seltzberg of Smith Barney. "With food costs and labor holding steady, it should be a good year for the cafeteria industry."

Among the major changes expected this year:

- Piccadilly is installing computers in all 100 units to keep better track of line speed, customer counts and food costs.
- Morrison is set to open a renovated Atlanta unit that it has dubbed "the cafeteria of the future." The experimental unit will feature exhibition grilling, an out-front bakery, deli cases and a new decor.
- Duff's, whose parent company is operating under Chapter 11 of the Federal Bankruptcy Code, has moved its offices from Oklahoma City to Orlando, Fla., and will operate a much-smaller system with a new president and management team at the helm.
- King's Table, which dropped a bid to buy Duff's when parent Kelly-Johnston Enterprises filed for Chapter 11 protection, is attempting to battle a drop in customer counts with a $9 million remodeling and expansion program.
- Luby's, which is considered one of the best-run operations in the foodservice industry, is continuing its gradual move toward serving less beef and more broiled items, particularly fish. The transition is designed to appeal to older customers.

Piccadilly, based in Baton Rouge, La., said its computer system will give it a better handle on operations in all 100 company-owned cafeterias. The IBM PC's in each store will allow chain headquarters to get nightly readouts of sales and customer counts and target trouble spots in the system, according to James W. Bennett, executive vice president and chief financial officer.

"It's really a business of execution," Bennett said. "We [the cafeteria segment] have a market and a marketplace out there. When we execute well, we do well."

Piccadilly is continuing its recent move toward building freestanding units rather than mall stores. Even though a freestander costs about $500,000 more to build, the strategy gives the chain better flexibility on site selection, since shopping-center space is limited, Bennett said.

Of the eight new Piccadilly cafeterias under construction, only one is in a mall. About 25 units in the system are freestanding.

Segment leader Morrison, with about $275 million in annual sales, set aside $6 million in the last fiscal year to cover the closing of 13 unprofitable cafeterias, which had combined annual losses of $2.3 million. Both Morrison executives and Wall Street analysts viewed the action as a positive step toward improving operational focus on a unit level.

"We'd been looking at this group as far back as three years ago," said E. Eugene Bishop, president and chief executive. "We do not run away from our problems. We felt we'd done all we were able to do, trying to make them [the cafeterias] work. We were unable to do that."

This year the company—which also operates Ruby Tuesday, L&N Seafood and Silver Spoons in its specialty-restaurant division—will keep a close watch on its new "cafeteria of the future" when the refurbished Atlanta unit reopens at the end of September. The unit will feature a wide-open design, a glass-enclosed grill for exhibition cooking, a bakery display, a deli case and a completely different wall covering. The concept features so many new twists that it can only be described as experimental, according to Richard McGeoch, vice president of marketing and planning.

"We're trying so many new things we don't expect 100% of them to work," McGeoch said. "But we feel it's time to break out of the mold."

In June Morrison opened its first freestanding takeout shop in a 1,000-sq.-ft. Atlanta building. (About 11 attached takeout shops are currently in operation.) The Atlanta freestander, a test for possible expansion, is expected to generate about $350,000 in annual sales, according to analysts. McGeoch said the company is expecting "major incremental sales," with little cannibalization of cafeteria sales, from the takeout shops.

TOP CAFETERIA CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
54	53	Morrison's	June	$290.0	$275.0	$274.0
69	64	Furr's	Dec.	225.1	215.0	205.0
74	75	Piccadilly	June	210.0	185.0	174.0
76	71	Wyatt	Dec.	200.0	192.0	175.0
77	81	Luby's	Aug.	198.1	170.8	140.0

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP CAFETERIA CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
86	83	Morrison's	June	155	147	153
88	90	Furr's	Dec.	134	123	117
93	91	Wyatt	Dec.	123	120	117
95	95	Piccadilly	June	110	100	93
96	96	Luby's	Aug.	85	77	70

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP CAFETERIA CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
10	10	Luby's	Aug.	$2,450.0	$2,390.0	$2,350.0
16	17	Piccadilly	June	2,050.0	2,000.0	2,000.0
17	18	Morrison's	June	1,900.0	1,850.0	1,730.0
19	20	Furr's	Dec.	1,710.0	1,600.0	1,500.0
20	21	Wyatt	Dec.	1,570.0	1,550.0	1,460.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

CAFETERIA SEGMENT PRICE DATA

For Selected Chains

	Average Per-Person Check (By Fiscal Year)			Annual Price Increases (By Fiscal Year)		
Chain	Current	Last Full	Previous	Current	Last Full	Previous
Morrison	$4.35	$4.35	$4.14	0.0%	5.0%	8.0%
Piccadilly	4.10	3.95	3.94	4.0	0.0	11.0
Wyatt	4.10	3.91	3.71	4.0	5.0	—
Luby's	4.38	4.05	3.82	4.0	6.0	3.0

Source: *NRN* research

The Duff's smorgasbord chain, considered part of the cafeteria segment, reached a low-point in its 18-year history this past year when, after two aborted plans to sell the chain, parent Kelly-Johnston Enterprises of Oklahoma City filed for Chapter 11 protection from creditors. Industry observers said Kelly-Johnston, a franchisee of Chi-Chi's Mexican restaurants, "bit off more than it could chew" when it purchased the then-133-unit Duff's chain in 1983.

Kelly-Johnston disputed that claim and said it uncovered numerous problems left by the previous owners, Homer and Wilma Duff, including a 15% rate of timely franchisee payments.

But the Duff's system is expected to re-emerge this year as a much smaller system under new management.

The number of company-owned units dropped from 24 to nine after Kelly-Johnston sold 11 units back to the Duffs and sold six others to another shareholder. Several franchisees, including the largest, Sunbelt Paragon, dropped out of the system, leaving Kelly-Johnston with about 50 franchised units.

The new management team, now based in Orlando, Fla., is headed by president Gary Zambon, formerly vice president of the franchise division. He replaced Will Chizmar, who resigned amid the Chapter 11 controversy. Anita Bowers, vice president of operations, is the new No. 2 executive in the Orlando office.

"We're very, very optimistic," Bowers said of the newly aligned Duff's system. "We just had a good franchising meeting, and they've given us some very good signs."

International King's Table of Eugene, Ore., which operates 81 buffet restaurants in the Western United States, had signed an agreement to purchase Duff's from Kelly-Johnston in a deal valued at $12.7 million. But when Kelly-Johnston filed for Chapter 11, King's Table backed out.

The Duff's deal would have extended King's Table's influence into the Midwest and Southeast and would have made it one of the leading forces in the cafeteria segment. For now, the chain will concentrate on its systemwide, $9 million remodeling program. The renovated restaurants feature a longer serving line, a new dessert center and enhanced decor. About 25 remodelings are expected to be completed in fiscal 1986.

One unit in Torrance, Calif., was remodeled to include 110 new seats (300 total) and a new product line. Since the March 1984 renovation, sales are up 40% over comparable-year levels.

Luby's, the 77-unit chain based in San Antonio, is continuing its gradual move toward serving less beef and more items with higher perceived nutritional value.

"Empty nesters make up a large part of our audience," said Vernon Schrader, vice president of marketing. This has brought about a change in the chain that he calls "not as much strategic as gradual. Before we had four types of beef on the counter at all times. Now we can get by with half as much."

Luby's kitchens have cut back on salt and are serving more fish, chicken and turkey and vegetables, salads and fruit salads.

Contract feeders eye restaurant-inspired concepts

By Alan Liddle

Contract feeders hit hard by the shrinking of "Smokestack America" are, with varying success, turning to restaurant-inspired concepts to cope with declining margins and the increased expectations of the workers they serve.

Vending-machine operations are also getting a second look as consolidation in some work places forces contract feeders to streamline manual operations.

"Where we may have had 2,000 people [client employees] in one plant, now we may be feeding 500 or so people spread out over two to three sites," Richard Stein, president of food service and vending for Interstate United, said recently.

Interstate United's dilemma is not unlike the situation faced by several of the contract food-service companies in the *NRN* Top 100. Some of the companies are finding that they need new approaches as they try to move from industrial to white-collar feeding where clients often have fewer mouths to feed.

But the contractors—part of a diverse business that feeds people in the air, on the high seas and at work, school, medical facilities, national and state parks, resorts, amusement centers, zoos, stadiums, arenas and convention halls—are coping:

> *'Where we may have had 2,000 people in one plant, now we may be feeding 50 or so people spread out over two to three sites.'*

- At some General Motors plants, employees might once have waited an average of 12 minutes for a meal of meatloaf, mashed potatoes and green beans. Now, they can order fast-food mainstays, including burgers, fried chicken and fish, or a more upscale offering, such as a hand-carved meat sandwich, pay their tab and be seated in one-fourth the time.

Instead of eating in a cafeteria, or "stainless steel maze," as Greyhound Food Management president Joseph Fassler calls them, those GM workers are dining at an Eatin's Easy, Greyhound's home-grown fast-food concept.

- In multitenant office complexes where there are not enough employees to support a cafeteria, workers not wanting to brown bag it often have to settle for vending cuisine or fight the crowds and the clock to get filled at a nearby fast-food outlet or full-service restaurant. However, if the complex is serviced by Canteen Corp., there is a chance that employees from the different offices might meet while ordering or picking up a meal from the Gulliver's deli in their building.
- Hungry office workers in another building might need look no farther than downstairs and J.D.'s Cafe, Allegheny Beverage's upscale limited menu manual operation.

Some contract food-service executives see such concepts as a way to cut operating costs and satisfy baby boomers who grew up on fast food and had little contact with cafeterias, except in school or the military. Others say their real value might be in the area of marketing because they have an identity and are more acceptable to consumers who have shown a preference for brand names over "brand X."

Greyhound's Fassler said the Eatin's Easy concept has been under development for four years and can work in a blue-collar or white-collar setting. It can be especially useful, he said, in an older plant where the workforce has been cut back and the food preparation area was built decades ago and is in need of major remodeling.

Compared to a cafeteria, an Eatin's Easy costs about half as much to build ($500,000 to $600,000), feeds the same number of people in half the square footage and significantly reduces labor costs, Fassler said. One way the concept helps save labor, he said, is by providing an environment in which patrons are willing to bus their own trays, "just like they do at a Burger King or McDonald's on the weekend."

Indicating Eatin's Easy units are not just plastic burger-serving stations, Fassler described the concept's decor as "beautiful fast food" with plenty of greenery. "They are often the nicest part of the plant they're in."

But do *clients* like the concept?

There are now 23 Eatin's Easy units "and we've got a waiting list for more," said Fassler, whose division recorded about $210 million in manual sales in 1984. "I've had to double the size of my engineering department during the past three years."

Building Take-Out Sales

In Gulliver's, Chicago-based Canteen, recognized as a major player in plant feeding, has a concept that allows it to move into white-collar territory. The company, which had systemwide manual sales of about $442 million in fiscal 1984, now operates 25 of the delis in office buildings and has another 40 under lease for development.

Gulliver's could prove a boon to Canteen's franchising group. The company has for years licensed its name to 100 franchisees, primarily for use in vending operations, and has extended the arrangement to include the deli.

What's more, Gulliver's gives Canteen a vehicle for developing take-out business, something nearly all major contract feeders are trying to do.

ARA Services Inc.'s International division has developed various restaurant-style concepts and plugged them into nontraditional settings for some time. Claude Feninger, president of the division, which generated about $325 million in revenue during 1984, said "We have our green room [concept] . . . our delis" and others.

However, because his division operates in several countries with different languages, Feninger said there is no single name or logo used for the concepts.

During fiscal 1984, ARA Services' contract feeding divisions generated about $1.24 billion in revenue from manual operations, leading the segment. But Marriott Corp.'s acquisition of Service Systems Corp., of Buffalo, N.Y., and Ohio-based Gladiuex Corp. in early 1985 have some analysts projecting fiscal 1985 revenue of $1.55 billion for its contract group, quite probably enough to displace ARA.

The development of catchy brand name concepts by contract feeders might also be viewed as a bolstering of their defenses against national restaurant chains, such as McDonald's, Burger King and Hardee's. More and more, those chains and others have begun popping up in areas once thought to be the exclusive domain of contract and institutional feeders, including hospitals, military bases and college campuses.

Marriott's contract food-service division is in a unique position: It can fight off encroaching national chains by borrowing from the company's own Roy Roger or Big Boy groups if a client wants a widely recognized fast-service operation.

*(See **CONTRACT**, page F56)*

TOP CONTRACT FEEDERS CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
7	9	Marriott Food Service Mgt.	Dec.	$1,550.0	$1,111.3	$950.6
9	8	ARA Services	Dec.	1,312.7	1,243.1	1,172.3
18	16	Saga	June	866.5	777.7	710.5
20	46	Service America	March	770.0	332.3	237.6
33	31	Canteen	Dec.	499.7	442.2	369.5
39	39	Dobbs	Feb.	421.0	368.9	343.8
43	45	Sky Chefs	Dec.	365.3	332.3	292.4
50	50	Ogden	Dec.	312.5	279.0	225.0
65	67	Greyhound Food Management	Dec.	247.8	210.0	190.0
70	70	Delaware North	Dec.	225.0	200.0	175.0

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP CONTRACT FEEDERS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
9	8	ARA Services	Dec.	2,700	2,626	2,547
19	44	Marriott Food Service Mgt.	Dec.	1,400	491	466
21	42	Service America	March	1,200	518	207
22	20	Canteen	Dec.	1,140	1,020	950
26	23	Saga	June	928	904	856
60	60	Greyhound Food Management	Dec.	350	315	310
65	65	Custom Management	June	268	250	243
69	67	Szabo	Sept.	255	244	233
70	69	Delaware North	Dec.	250	234	217
72	70	Ogden	Dec.	244	230	202

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP CONTRACT FEEDERS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
2	2	Sky Chefs	Dec.	$5,450.0	$5,450.0	$5,410.0
7	6	Dobbs	Feb.	2,990.0	3,000.0	3,020.0
27	28	Ogden	Dec.	1,281.0	1,213.0	1,114.0
33	12	Marriott Food Service Mgt.	Dec.	1,110.0	2,260.0	2,040.0
39	45	Saga	June	933.0	860.0	830.0
45	46	Delaware North	Dec.	900.0	855.0	806.0
57	59	Custom Management	June	718.0	700.0	720.0
58	61	Greyhound Food Management	Dec.	708.0	667.0	613.0
59	54	Seiler	Aug.	698.1	739.5	703.3
63	62	Service America	March	642.0	642.0	1,150.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

CONTRACT FEEDERS

'Not all of the mock restaurant concepts tried by contract feeders pan out.'

(Continued from page F55)

Not all of the mock restaurant concepts tried by contract feeders pan out, however.

George Flagg, senior vice president of finance for Allegheny Beverage, which recently merged its Macke and Servomation food-service companies to create Service America Corp., said J.D.'s Cafes have been only "marginally" successful. The company is in effect "phasing them out," he said, adding that the decision was based, in part, on the inability of the concept to develop enough after-lunch and nontenant business to make it worthwhile.

There were 10 J.D.'s in 1983. Now there are five.

Some contract feeders have not yet found it necessary to develop their own brand names for marketing or cost cutting purposes.

Headquartered in Menlo Park, Calif., Saga Corp., with fiscal 1984 revenue from its contract divisions totaling $710 million, is generally recognized as the leading campus contract feeder in the U.S. Its fiscal 1984 revenue from campus accounts was $313 million.

Even though it serves a clientele that literally grew up humming fast-food chain jingles and probably identified with McDonald's golden arches before older family members, Saga does not have a brand name fast-food concept for its campus division. And yet, according to Saga spokesman Gene Elsbree, that division (in fact all contract divisions) had a "record year" in terms of landing new accounts while maintaining a client-retention record of about 95%.

Many industry executives agree that vending is a "mature" market with little future gowth potential except in combination with manual operations. But at least one of them, Fassler, is enthusiastic about developments in that area. In particular, he is high on Greyhound's own "Grand Gourmet" vending program now in place at about 10 locations.

Greyhound's vending business amounted to about $55 million in fiscal 1984.

The Grand Gourmet system is similar to the old Horn and Hardart "automats," Fassler said, explaining that "dinner platters" are loaded into the back of the machines while patrons serve themselves in front. The machines are situated near what were once manual facilities, but which are no longer cost effective to operate in a full-service format.

"Even though it's a vending machine, the food might have been put in [just] five minutes earlier," Fassler said. 'It's a big growth vehicle" in the vending segment and can be used in "downscaled" plants where the client wants to offer employees something better than cold sandwiches, he added.

At ARA, the vending division has a system offering more traditional commissary-prepared vending fare, but with a difference: no machines.

Through its "Greenhouse" concept, ARA is trying to counter the "high tech" invasion of the work place and other contract sites with a little "high touch." It has, at selected locations, installed refrigerated cases from which patrons pull the desired items before checking out through a cashier.

Vending was a $350 million business for ARA in 1984.

Canteen, which did systemwide vending sales of close to $500 million in 1984, has a similar "no-machine" vending system as well as large-capacity machines that offer more than candy, cigarettes, cold drinks and coffee.

Dobbs, Ogden experiment with nontraditional services

Employees in Dobbs International Services' airline catering division wash more than dishes these days. Some of them are polishing executive aircraft.

Officials at Dobbs, a food-service division of Chicago-based Carson Pirie Scott & Co., are testing to see if executive jet catering and cleaning can be profitable business. "Very successful" is the way one spokesman at Dobbs's Memphis headquarters described the test program to date.

Dobbs International Services, which also handles corporate and educational accounts, is generally regarded as the No. 2 airline caterer and terminal feeder in the United States, second only to Marriott Corp. It is the largest operating company in Carson Pirie Scott & Co.'s food and lodging group, which generated revenue of about $369 million, excluding restaurants, in fiscal 1984.

While some flight kitchens operated by Marriott and third-ranked Sky Chefs have done executive jet catering on a piecemeal basis, comments by company officials indicated neither is aggressively pursuing the market.

Dobbs's attempt to expand its share of the contract-food-service market by offering a secondary service, in this case aircraft cleaning, is not unusual. A majority of the contract feeders in *NRN*'s Top 100 are aligned with divisions that offer nonfood support services, including house cleaning, laundering, maintenance, security and facilities management. In most cases, however, the revenue generated by nonfood services is just a fraction of food service revenue. The *NRN* rankings include only manual food-service revenue.

Ogden Food Service Corp.'s manual food-service operations generated about $230 million in revenue during fiscal 1984, less than half of the total revenue reported by the overall Ogden Corp. Allied Services group.

Several Ogden accounts involve multiple Allied Services divisions, such as food service, maintenance and parking management. Gerald Moses, vice president of marketing, said Ogden wants more of those accounts and is positioning itself so that potential clients know that "everything that can be done in a building, we can do."

In fiscal 1984 The Macke Co., now part of Allegheny Beverage's new Service America Corp., reported nonfood-services revenue (excluding proceeds from the coin-op laundry division) of $91.6 million. Its manual and vending machine food-service revenue was $332 million.

Perhaps more typical of contract feeders involved with nonfood services is The Seiler Corp., a U.S. division of Paris, France-based Sodexho. In fiscal 1985 it reported revenue of about $164 million from manual food-service operations and $6 million from "general" services, including laundering, house cleaning and maintenance. Company officials estimated that general services revenue would double in 1986.

Donald E. Storer, Seiler's vice president of marketing, said general services "will be our heaviest growth area" in the next few years. But, he added, "This is not a food-service company that will become a janitorial company."

Seiler would like to see its eight multiple-service accounts grow to 40 during the next five years, Storer said.

Dobbs House

Dobbs, regarded as the No. 2 airline and terminal caterer behind Marriott, had revenue of $369 million in fiscal 1984.

Acquisitions are on the minds of executives with nearly every contract feeder in the Top 100. Some industry observers contend that because many segments of the contract food-service business are saturated, substantial growth is possible only through acquisitions.

"We're actively looking . . . we've acquired five companies in five years," said John Metz, president of Custom Management Corp., of Kingston, Pa.

Metz's company produced manual food-service revenue of $175 million in fiscal 1985, doing most of its business with colleges and health-care facilities. He explained that he is looking to acquire "regional companies that will fit into our organization."

Joseph Fassler, president of Greyhound Food Management, admitted he would like to phase out his company's "support" division, which, among other things, provides food service and some housekeeping on large construction projects in such regions as the Middle East.

Fassler said he is shopping for a lodging chain that does at least $100 million in business a year and some regional contract feeders that will help GFM gain a bigger share of the white-collar workplace market.

The only two Top 100 companies that might be ruled out as participants in "acquisitionmania" in 1986 are ARA Holding Co. and Allegheny. The $878 million leveraged buyout of ARA by its top executives in late 1984 and Allegheny's purchase of Servomation for $225 million this year have probably left both companies too far in debt to consider acquisitions.

Trends to Watch

Other contract food service trends to watch:

- The shakeout in the offshore segment continues, though not at the pace of the past few years. Alfred Bourgeois Jr., who heads Delaware North's Oceanic Butler, remarked recently, "Four years ago we had 49 competitors; now there are 14 or 15."

Contributing to the downfall of many small independents have been rising costs in insurance and the maintenance of large inventories in isolated areas, said Claude Feninger, president of ARA's International group, the leading feeder of off-shore drillers.

- Some companies, including Seiler, reported that they are concerned about the increasing incidence of for-profit companies, such as Humana Corp., buying up nonprofit hospitals. The contractors said they fear that, as a rule, the for-profit companies will handle food service in-house, thereby limiting potential growth within the segment.
- Contract feeders looking to pick up business in primary and secondary schools indicated that Reagan Administration efforts to reduce subsidies to school-lunch programs are, in some cases, helping.

As money gets tighter, more school districts are being forced to consider contracting over continuing in-house operations. Among the contractors, larger companies, such as ARA, which led the segment in fiscal 1984 with a revenue of $60 million, are convinced cutbacks will mean more business for them because of economies of scale.

- Competition among airlines has increased traffic but failed to make things any easier

Receipts up, covers down in hotel food service

By Peter Romeo

Food service in the nation's hotels is in a state of flux, with rising receipts offsetting depressed covers as the only general rules, according to industry executives.

Ramada Inns, for instance, is completely revamping the food and beverage operations of all but a few of its company-owned hotels and is encouraging its franchisees to follow suit. The goal is to tailor each outlet to its local marketplace, with menus featuring popular regional items, said food and beverage vice president Robert Lansdell.

A similar approach is being taken by Radisson Hotel Corp., one of the two lodging companies owned by Carlson Cos., where, under the tutelage of newly appointed food and beverage vice president Don Clawson, Radisson plans to transform at least one outlet at each of its hotels into one of the local area's most popular restaurants.

Ramada food and beverage vice president Robert Lansdell (right) with lounge concept director Ken Detwiler reviews plans for F&B revamping.

At the same time "there has been an attempt to minimize restaurant operations in new hotels, to minimize the size of the restaurants," said Bjorn Hansen, a senior principal with the accounting and consulting firm Laventhol & Horwath. "And it's in all classes of hotels, not just all-suites and economy properties."

Even luxury hotels are omitting formal and very opulent restaurants to opt instead for more casual outlets with a broad-based appeal, Hansen said.

That trend of backing away from food-service operations is evident in Holiday Corp.'s Embassy Suites chain.

Although the chain is attempting to differentiate itself from the rest of the all-suites pack by including a restaurant in every property, the food-service outlets will usually be Velvet Turtles operated by Saga Corp.'s new hotel food-service division, according to a spokesman.

Similarly, the Comfort Inn Suite and Quality Inn Suite concepts that Quality Inns International plans to roll out later this year will feature preprepared frozen meals that guests can buy in the properties' gift shops and microwave in their rooms.

Hotel executives and analysts attribute the intensified competition in lodging food service to the building boom, which has pushed the supply of guest rooms far beyond demand.

With occupancy rates dipping, the executives said they are taking an intensified and more critical look at their food operations, which typically generate one-third to one-half of a hotel's total revenues.

For instance, Servico Inc.'s Royce Hotel Corp. franchise chain is putting a great deal of care and effort into the development of its restaurants and lounges, president Steven Selka said.

"I expect F&B [food and beverage] sales to surpass room revenues," Selka noted.

But the executives of most major hotel chains emphasized that the rationale for upgrading their food-service operations is not simply to offset flat room sales with higher food and drink revenues.

Rather, they stressed that they are still striving toward their traditional goals of, first and foremost, pleasing guests and hence holding on to present customers, and, second, to draw in more local patrons, who may refer visiting business acquaintances and friends to the property.

Major contenders, such as Westin and Marriott, are attempting to realize both goals by offering more regional American dishes, which, by all accounts, are growing in popularity.

In the instance of Ramada, "I took all 50 states and decided what dishes they're famous for," Lansdell said. As each Ramada restaurant is renovated, the favorite of its state will be added to the menu, he explained.

In addition, the food and beverage directors of several hotel chains said they are simplifying serving methods, doing away with flambé carts and the like, and opting for lighter, more informal decor packages to make hotel outlets more viable as "everyday" places for local residents to eat in.

But most of the companies have not followed through by cutting or stabilizing prices, Laventhol & Horwath's Hansen said.

"Hotels have been raising food prices fairly substantially," Hansen commented. "The primary hotel customer is still the business traveler, and to him, it's not a price-sensitive issue. The business traveler doesn't care if breakfast costs $2 or $10."

Hansen believes that increased prices, coupled with the greater use of restaurants by local patrons, are responsible for the rise in food and beverage revenues despite a decline in occupancy rates during the first half of 1985.

Hansen and the food and beverage executives of several lodging chains agreed that the rise in revenues is largely attributable to an increase in food rather than liquor sales.

The latter, they said, have leveled off or declined, the result of patrons drinking less or opting for lighter beverages.

"You get less for a wine spritzer than you do for a martini," Hansen commented.

Ironically, many in the lodging industry had expected liquor sales within hotels to increase because of the crackdown on drunken driving. They reasoned that more hotel guests would drink in the lounge rather than risk a trip to a nearby popular watering hole.

Hansen added that hotel customers have also shown a resistance to increases in drink prices.

The decline in alcohol consumption has been particularly steep in banquet operations, Lansdell and others said.

But they agreed that, overall, banquet sales are on the rise.

"The only place in hotel food and beverage operations where we've seen things get better [in terms of real growth] is in banquets," Hansen said.

That increase in banquet sales and profits, he contended, is attributable not to a hotel's food and beverage department but to its sales staff.

"Hotel sales departments are recognizing the importance of banquet sales," Hansen explained. "There is a very severe focus on getting more people into the hotel, even if it means discounting room rates slightly. So hotels are learning how to package better," estimating prices for meeting planners on a more palatable "per delegate day" basis rather than in a single lump sum.

And, "in banquets, the price has not gone higher as it has in restaurants," Lansdell said.

In addition, hotel food departments have done their part by making banquets less formal and more fun, according to Lansdell.

"The people who used to go to banquets used to look at them as a special thing," he explained. By moving away from the idea that banquets are suitable only for special occasions, hotels have broadened their market for group business, he suggested.

TOP HOTEL CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
12	11	**Sheraton**	Dec.	$1,196.0	$1,095.0	$1,004.0
14	13	**Holiday Inn**	Dec.	990.0	893.1	835.0
15	15	**Hilton**	Dec.	987.0	812.3	717.0
21	18	**Marriott Hotel**	Dec.	744.0	729.3	633.6
36	35	**Westin**	Dec.	466.0	411.0	350.0
61	65	**Quality Inn**	May	270.0	212.2	200.0
63	55	**Ramada Inn**	Jan.	257.4	253.1	250.0
80	73	**Hyatt Hotel**	Dec.	195.0	187.5	180.0

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP HOTEL CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
13	14	**Holiday Inn**	Dec.	1,757	1,696	1,707
33	39	**Quality Inn**	May	741	555	539
45	38	**Ramada Inn**	Jan.	564	571	593
48	45	**Sheraton**	Dec.	500	473	453
68	64	**Hilton**	Dec.	258	253	246
87	85	**Mariott Hotel**	Dec.	143	143	130
97	97	**Hyatt Hotel**	Dec.	78	75	72
100	100	**Westin**	Dec.	52	51	46

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP HOTEL CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
1	1	**Westin**	Dec.	$9,000.0	$8,700.0	$7,600.0
3	3	**Marriott Hotel**	Dec.	5,200.0	5,100.0	4,900.0
4	5	**Hilton**	Dec.	3,800.0	3,200.0	2,900.0
6	7	**Hyatt Hotel**	Dec.	3,200.0	3,000.0	3,000.0
11	11	**Sheraton**	Dec.	2,400.0	2,300.0	2,200.0
73	72	**Holiday Inn**	Dec.	563.5	526.6	489.2
81	79	**Ramada Inn**	Jan.	456.5	443.2	421.5
87	88	**Quality Inn**	May	409.1	382.3	371.0

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

FOCUS | NRN

C-store food sales gaining on fast feeders'

CEREAL
ICE CREAM
FOUNTAIN
HOT DOGS

Circle K is putting heavy emphasis on its fast-food program.

Both convenience store chains and retail companies with in-store dining facilities are changing menus and decor to bolster the assault on traditional restaurants, such as McDonald's and Denny's.

At c-stores, where a principal consumer attraction is service speed, the strategy is to convince a customer—who is usually in the store to buy other merchandise—to purchase a quick hotdog, sandwich or fountain drink.

At department stores the aim is to convince the shopper to dine at the in-store cafeteria or coffee shop, rather than at a nearby restaurant or fast feeder.

Four such chains—7-Eleven and Circle K in the c-store segment and K mart and F. W. Woolworth in the retail feeder category—generate enough annual food-service sales to gain listing in this year's Top 100.

The year 1985 may be regarded as the time when the food-service industry finally recognized the inroads into fast-food sales made by the nation's 57,000 convenience stores.

A combination of aggressive marketing by the leading convenience chains and increased coverage in the trade press has made many fast-food executives stand up and take notice. Even an executive at McDonald's, which rarely acknowledges the competition, admitted that c-stores serve breakfast faster than the burger chains.

"We're not a fast-food restaurant, and we don't pretend to be," said Stephen Schwitalla, Circle K's vice president for food service. "But an integral part of our store is devoted to fast food. And in terms of quality, easy access, speed, visibility and advertising, I think our stores are now competitive with them."

C-stores accounted for $3.02 billion in fast-food sales in 1984, according to the National Association of Convenience Stores. Fast-food sales last year made up 9.7% of the $31.2 billion in merchandise sales, which exclude gasoline. That percentage is expected to soar toward 20% in the later part of this decade as c-store chains—spurred by higher-than-average profit margins on fast food—expand their food-service operations.

The two industry sales leaders, 7-Eleven of Dallas and Circle K of Phoenix, respectively, are also at the forefront of fast food.

On the heels of its recent introduction of fresh hotdogs and nachos, 7-Eleven is rolling out five new croissant sandwiches—egg; egg and sausage; ham and American cheese; turkey; and a submarine croissant with salami, bologna and cheese.

"The croissant sandwiches are targeted at the customer, particularly the health-conscious man or woman, who is looking for something lighter than our other sandwiches," said one 7-Eleven food-service official.

The chain's new JT's Bakery and Sandwich Shop concept, now in about 70 Texas units, features fresh-baked pastries and clerk-served deli sandwiches. Other tests, including salad bars, are continuing across the country.

The Southland Corp., 7-Eleven's parent company, does not break out fast food as a percentage of merchandise sales. But if, by conservative estimates, 11% of in-store sales are fast food, 7-Eleven will record $570 million in food-service volume this year.

Like its larger rival, Circle K is putting a heavy emphasis on its fast-food program. The chain is currently remodeling about 250 stores per year, and the new floor plan gives the fast-food section a prominent position in a high-traffic area. Schwitalla said fast-food accounts for about 25% to 30% of the floor space in remodeled units.

Circle K's new Deli Fresh Lite label, like 7-Eleven's croissant line, is targeted at working women and white-collar males, rather than at the blue-collar male, the traditional c-store patron.

And the chain continues to tailor its menus geographically. Circle K sells 10 types of burritos under its Old Santa Fe label in the Southwest. In Miami the chain is testing a Cuban sandwich that contains two types of cheeses, luncheon meats and barbecue pork.

Circle K is the fast-growing company in its industry. In the past five years it has grown from a 1,194-unit chain with sales of $533 million to a 2,650-unit chain with sales of well over $1 billion. As such, food-service sales have soared from $53 million in fiscal 1984 to a projected $120 million this year, fiscal 1986.

And a scheduled deal to acquire the 449-unit Shop & Go chain in Florida would give Circle K more than 3,000 units and increase its burgeoning food-service presence in the Southeast.

Like the major convenience chains, retailers with in-store restaurants are working to improve the image of their stores as viable places to eat. K mart, the second-largest retailer in the world after Sears, will convert some 200 of its 1,175 back-of-the-store cafeterias to the new Eatery concept by the end of this calendar year. The Eatery features a sidewalk-café ambience, softer lighting and canopies, according to Paul Swisher, director of food service.

K mart has closed several unprofitable cafeterias over the past year and has chosen to abandon the concept in new units. Instead, the chain will look to its 174 Sandwich Shoppes, 85 family restaurants and 197 delis and a host of snack bars and coffee shops as vehicles for expansion.

K mart's test of The Annex, an upscale soup-salad-croissant concept in a downtown Birmingham, Mich., unit is not likely to be expanded to other stores, Swisher said. The concept needs to be located in high-traffic downtown units, making expansion difficult, he said.

The Troy, Mich.-based retailer uses 57 district managers and five regional managers to help tailor food offerings to local preferences. But most menus are uniform across the country.

"We're mass marketers of food as well as merchandise, so anything we do on a national basis must be nationally acceptable," Swisher said.

K mart, which also owns Furr's cafeterias and Bishop Buffets, operates food-service outlets in 1,723 of its K mart and Kresge stores.

F. W. Woolworth, the New York City-based retailer, is attempting to boost in-store traffic through a series of refurbishings and a senior-citizens promotion at its cafeterias.

The chain is currently revising equipment and completely renovating the dining area in many of its units. One coffee shop in West Palm Beach, Fla., was remodeled to include palm trees and other decor changes compatible with that city's upscale clientele. Since that change unit sales have increased 30%, according to a Woolworth food-service executive.

"The big problem, as far as in-store feeders are concerned, is that I don't think we are addressing the various parts of our demographics," the Woolworth executive said.

And in a move to better serve one demographic segment, Woolworth is emphasizing its senior-citizens program at its cafeterias, where the variety of nonfried food served is often an attraction for older customers. The promo, called "Super Senior of the Month," allows older customers the opportunity to win a free dinner for four, complete with white-tablecloth and the red-carpet treatment. The coupon-booklet promo already has 25,000 seniors enrolled in the program.

The chain has also revamped menus in all units to include old photographs of the historic Woolworth building in downtown New York.

Woolworth operates food-service outlets in 859 of its department stores. Included in that total are 32 Harvest House cafeterias, 38 Harvest House Jr. fast feeders, four upscale Quiet Corners restaurants as well as snack bars and coffee shops.

Woolworth is also a Burger King franchisee and is committed to open 50 units by 1989. The chain company operates three Burger Kings, with four or five scheduled to open in southern California and Texas.

TOP RETAIL CHAINS RANKED BY SYSTEMWIDE SALES

Top 100 Rank		Chain	Fiscal Year Ends	Systemwide Sales (By Fiscal Year, in Millions)		
1985	1984			Current	Last Full	Previous
28	26	7-Eleven	Dec.	$570.0	$528.0	$486.0
41	38	K mart	Jan.	395.0	373.0	300.0
95	87	F. W. Woolworth	Jan.	155.0	155.0	155.0

*Ranking refers to Top 100 Chains: Ranked by Systemwide Sales

Source: *NRN* research

TOP RETAIL CHAINS RANKED BY NUMBER OF UNITS

Top 100 Rank*		Chain	Fiscal Year Ends	Number of Units (By Fiscal Year)		
1985	1984			Current	Last Full	Previous
2	2	7-Eleven	Dec.	7,550	7,299	6,962
14	13	K mart	Jan.	1,723	1,800	1,850
30	26	F. W. Woolworth	Jan.	858	859	860

*Ranking refers to Top 100 Chains: Ranked by Number of Units

Source: *NRN* research

TOP RETAIL CHAINS RANKED BY SALES PER UNIT

Top 100 Rank*		Chain	Fiscal Year Ends	Sales Per Unit (By Fiscal Year, in Thousands)		
1985	1984			Current	Last Full	Previous
95	96	K mart	Jan.	$229.3	$207.2	$162.2
99	99	F. W. Woolworth	Jan.	180.6	180.4	180.2
100	100	7-Eleven	Dec.	75.5	72.3	69.8

*Ranking refers to Top 100 Chains: Ranked by Sales Per Unit

Source: *NRN* research

Index slides 3.7 to 128.8; gainers nip losers 47-45

NEW YORK — Declining for the second week in a row, the *Nation's Restaurant News* Food-Service Operators Index lost 3.7 points in the week ended Aug. 2, closing at 128.8.

The Dow Jones Industrials Average in the same five-day trading session gave up 4.03 points, closing at 1353.05. Traders said fears of rising interest rates spooked the market after Congressional budget-cutters had agreed on a plan that cut little.

On the full 116-issue *NRN* listing, which includes lodging, gaming and diversified companies, 47 stocks gained in price, 45 slid and 24 remained unchanged.

Seventy-two stocks were trading in lighter volume than their previous 12-week averages, while 42 surged.

Restaurant Associates led the Volume Surgers' list, with 171% more shares trading hands than normal on a 75¢ uptick, to $8.88.

One Potato Two led the percentage-price winners' list, gaining 50¢, to $1.13. Nankin Express, down 25¢, to 88¢, led the losers' list.

Wendy's, which said earnings had climbed 4¢ in the latest quarter, to 30¢ per share, lost 38¢, closing at $17.50.

Famous Restaurants, which announced some sale-leaseback financing, gained 25¢, to $2.88. Naugles, foreseeing a quarterly loss, lost 50¢, to $5.50. El Chico, envisioning 28¢ per share compared with 25¢ in last year's fourth quarter, added 38¢, to $12.50.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Rest Assoc A	171.0	Assoc Hosts M	89.0
Calny Food M	138.9	A&M Food Svcs M	86.0
Old Fashion Fd M	114.1	Bob Evans Farms M	85.9
RAX Restaurants M	105.1	Sonesta Intl O	85.7
Chefs Intl O	93.8	Consul Restaurant M	82.8

TOP TEN GAINERS

(Weekly Price Change, in %)

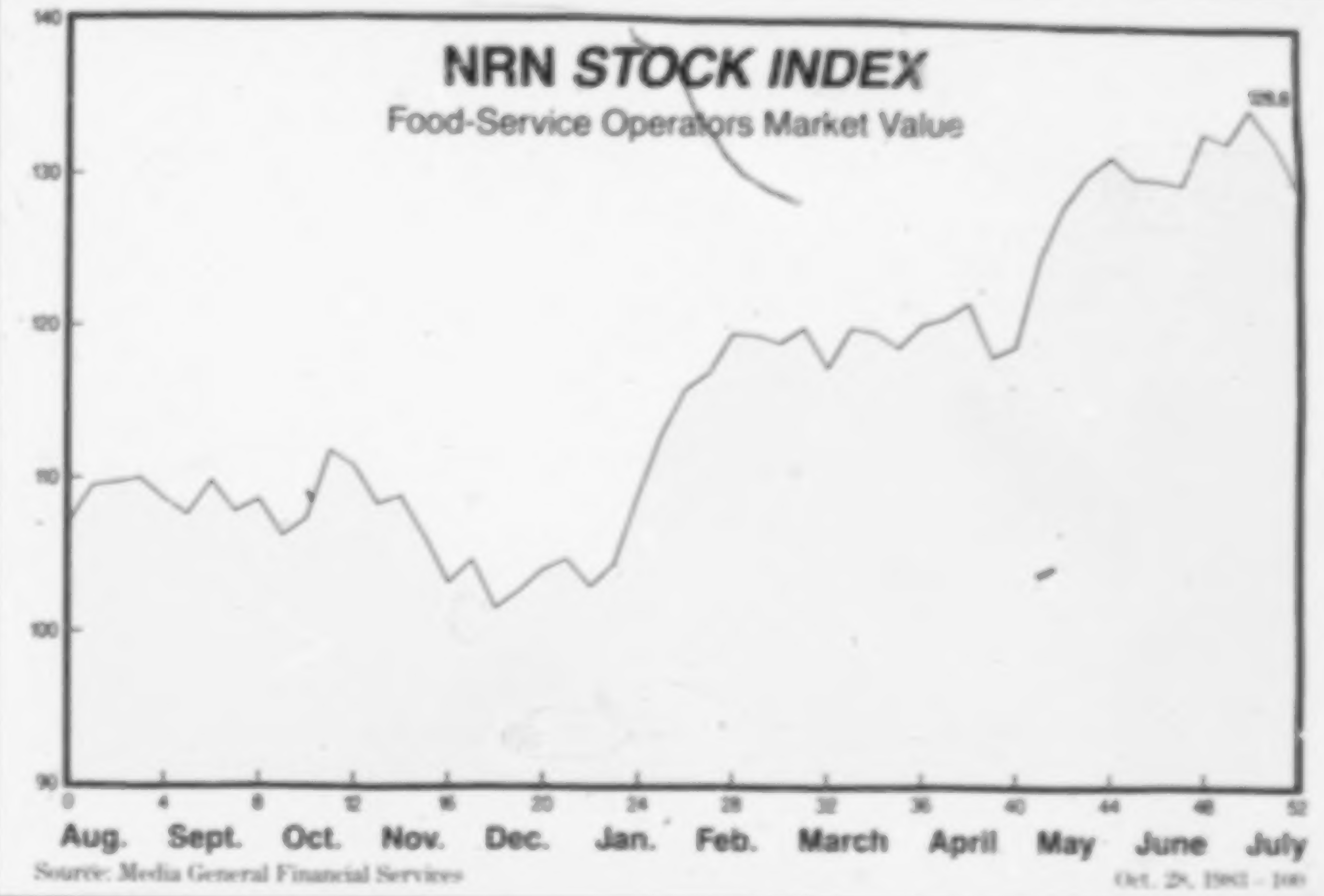
1 Potato 2 O	80.0	Rest Assoc A	9.2
Peo Restaurants M	50.0	Victoria Stations M	9.1
Fresher Cooker O	33.3	Fast Food Oper O	8.3
Ritzys G D M	12.5	Concept Dev M	7.8
Famous Rest M	9.5	Ramada Inns N	7.3

TOP TEN LOSERS

(Weekly Price Change, in %)

Nankin Express O	-22.2	Collins Foods N	-7.6
Consul Restaurant M	-11.8	Dunkin Donuts M	-7.2
Chi-Chi's M	-9.8	Sizzler Rest Intl M	-7.0
Cracker Barrel M	-8.9	Shoney's Inc M	-6.6
Naugles Inc M	-8.3	Mr Steak O	-6.3

	Stock Market											Financial Update																		
	Price							Volume																						
	8-02-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date						
															New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.		
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																														
A&M Food Svcs M	6.88	.38	5.8	7.13	6.50	7.13	3.50	376	1.06	.57	86.0	19.6	.00	.0	—	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests M	4.50	.00	.0	4.63	4.50	5.38	3.50	152	.61	.35	74.3	34.6	.00	.0	—	6 mos.	04-85	10.4	1055.6	.1	-80.0	.04	-80.0	19.9	114.0	.0	-100.0	.01	-92.3
Am Restaurants O	4.13	.13	3.1	4.38	4.00	5.75	2.38	53	.23	.25	-8.0	82.5	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	-100.0	(.01)	-100.0	4.7	4.4	.0	-100.0	(.01)	-100.0
Assoc Hosts M	14.25	-.25	-1.7	14.38	13.50	17.13	10.75	2,576	5.82	3.08	89.0	19.3	.12	.8	—	6 mos.	03-85	22.9	-5.8	.7	-36.4	.16	-36.0	45.4	-3.6	1.4	-26.3	.32	-25.6
Benihana Natl M	19.63	-.13	-.6	20.00	19.50	21.75	12.38	965	3.32	-5.31	-37.5	18.3	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	22.75	.75	3.4	22.75	21.25	23.50	17.00	2,360	1.45	.78	85.9	20.5	.30	1.3	—	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp M	2.25	.00	.0	2.38	2.00	5.13	.63	62	.20	.56	-64.3	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	14.50	-.25	-1.7	15.13	14.25	15.13	8.13	3,413	7.55	3.16	138.9	21.3	.16	1.1	—	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab M	1.69	.06	3.8	1.75	1.50	2.88	1.31	1,734	1.13	.86	31.4	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	8.50	.00	.0	8.75	8.50	11.50	8.25	383	.49	.71	-31.0	12.0	.07	.8		fiscal	05-85	37.1	18.9	.7	-41.7	.09	-25.0	146.3	20.2	5.5	19.6	.71	4.4
Chefs Intl O	.69	.00	.0	0.75	0.69	1.06	.38	1,800	.93	.48	93.8	NE	.00	.0	—	3 mos.	04-85	5.3	-11.7	.0	NE	.00	NE	5.3	-11.7	.0	NE	.00	NE
Chi-Chi's M	11.50	-1.25	-9.8	12.25	11.13	18.00	9.38	10,548	3.91	4.57	-14.4	19.8	.00	.0	—	fiscal	04-85	56.5	38.5	3.5	-18.6	.13	-27.8	205.7	30.2	15.6	-6.6	.58	-12.1
Chili's Inc M	28.00	-.25	-.9	28.00	27.63	28.88	17.00	955	2.06	1.53	34.0	36.4	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch N	16.75	-.25	-1.5	17.38	16.38	20.25	12.75	9,580	2.54	2.11	20.4	14.3	.44	2.6	—	6 mos.	06-85	139.4	13.5	11.2	1.8	.30	3.4	255.7	12.5	19.1	7.9	.51	8.5
Collins Foods N	22.88	-1.88	-7.6	24.88	22.75	25.00	13.34	890	.68	1.00	-32.0	16.6	.16	.7		fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev M	12.13	.88	7.8	12.13	11.13	16.75	5.75	1,041	2.01	4.55	-55.8	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	-100.0	(.23)	-100.0	30.2	9.4	(1.2)	-100.0	(.23)	-100.0
Consol Prdts M	3.75	-.13	-3.2	3.88	3.63	5.38	3.63	147	.45	.50	-10.0	11.4	.08	2.1	—	6 mos.	03-85	18.6	-4.6	.0	NC	(.02)	NC	33.8	-3.4	.3	-25.0	.08	-20.0
Consul Restaurant M	3.75	-.50	-11.8	3.75	3.00	9.75	3.00	2,371	5.21	2.85	82.8	NE	.00	.0		fiscal	05-85	24.0	50.9	(11.5)	-100.0	(2.50)	-100.0	87.0	37.2	(15.2)	-100.0	(3.32)	-100.0
Cracker Barrel M	12.75	-1.25	-8.9	13.50	12.75	23.50	11.75	283	.79	1.91	-58.6	17.7	.14	1.1	—	9 mos.	04-85	16.0	16.8	.3	-40.0	.07	-61.1	46.8	18.2	.9	-35.7	.26	-50.0
Cucos Inc O	4.75	.00	.0	5.25	4.75	5.75	2.75	59	.34	.25	36.0	33.9	.00	.0	—	9 mos.	03-85	1.6	100.0	.1	.0	.04	33.3	4.8	108.7	.2	.0	.11	10.0
Diversifoods M	11.25	.00	.0	11.38	11.25	14.63	8.00	148	.04	4.41	-99.1	27.4	.34	3.0	—	3 mos.	03-85	128.2	2.0	1.3	-76.8	.04	-76.5	128.2	2.0	1.3	-76.8	.04	-76.5
DLites Of Amer M	10.25	.00	.0	10.25	10.13	15.50	9.00	988	1.94	2.98	-34.9	78.8	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts M	22.50	-1.75	-7.2	22.63	21.63	25.38	14.84	1,345	1.88	2.20	-14.5	16.7	.24	1.1	—	6 mos.	04-85	.7	-96.8	2.8	16.7	.38	15.2	24.7	-41.3	5.4	14.9	.74	15.6
El Chico M	12.50	.38	3.1	12.63	12.00	12.50	7.25	822	1.77	2.27	-22.0	16.0	.00	.0	—	9 mos.	02-85	20.6	6.7	.3	.0	.19	-5.0	61.8	7.1	2.7	.0	.58	-3.3
El Pollo Asa O	5.38	-.25	-4.4	5.63	5.38	6.34	1.84	377	1.49	2.86	-47.9	NE	.00	.0	—	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest N	17.25	.25	1.5	17.50	16.50	19.25	10.63	990	.89	1.04	-14.4	16.0	.00	.0	—	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest M	2.88	.25	9.5	2.88	2.56	4.75	1.63	786	1.31	1.38	-5.1	NE	.00	.0	—	3 mos.	03-85	16.3	-4.7	.4	NE	.07	NE	16.3	-4.7	.4	NE	.07	NE
Fast Food Oper O	.81	.06	8.3	0.94	0.75	1.63	.63	196	.33	.61	-45.9	27.1	.00	.0	—	fiscal	12-84	2.0	25.0	.0	-100.0	.00	-100.0	8.0	31.1	.2	-33.3	.03	-50.0
Flakey Jakes M	5.63	.13	2.3	6.00	5.38	8.50	4.88	1,409	2.03	2.10	-3.3	NE	.00	.0	—	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest O	2.25	.00	.0	3.25	2.25	7.38	2.25	17	.11	.25	-56.0	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	-100.0	1.7	88.9	(.3)	NC	(.18)	-100.0
Fresher Cooker O	.50	.13	33.3	0.63	0.38	6.50	.25	162	.72	.98	-26.5	NE	.00	.0	—	3 mos.	03-85	.7	-22.2	(.2)	NE	(.15)	NE	.7	-22.2	(.2)	NE	(.15)	NE
Frisch's A	23.38	-1.13	-4.6	24.25	23.38	26.00	14.50	63	.14	.20	-30.0	20.3	.22	.9		fiscal	05-85	32.2	-.6	1.7	-10.5	.39	-7.1	129.0	4.0	5.0	2.0	1.15	3.6
Fuddruckers Inc M	7.63	-.50	-6.2	8.25	7.63	15.13	6.00	1,473	2.26	3.45	-34.5	NM	.00	.0	—	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Good Taco O	.50	.00	.0	0.56	0.50	3.13	.25	372	1.25	1.27	-1.6	NE	.00	.0	—	fiscal	02-85	.1	-75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	14.50	.25	1.8	15.25	14.50	15.25	10.50	47	.65	.56	16.1	7.4	.00	.0	—	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger M	4.75	.00	.0	4.88	4.75	6.50	3.63	671	2.31	1.39	66.2	NE	.00	.0		9 mos.	05-85	20.7	-3.3	(.4)	-100.0	(.13)	-100.0	49.6	-5.3	(.9)	-100.0	(.29)	-100.0
Intl Dairy Queen O	65.00	4.00	6.6	67.50	61.00	65.00	39.00	32	.16	.13	23.1	15.9	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	-90.5	1.54	40.0	75.6	15.1	3.9	-88.3	1.92	35.2
Intl King Tab M	19.75	.25	1.3	20.00	19.50	24.75	15.25	190	.66	2.03	-67.5	14.1	.00a	.0	—	9 mos.	03-85	24.3	1.7	1.5	25.0	.48	14.3	61.7	3.9	3.3	17.9	1.11	13.3
JB's Rest M	13.50	.25	1.9	13.50	13.00	15.50	9.00	1,887	5.39	6.24	-13.6	58.7	.16	1.2	—	6 mos.	03-85	18.0	35.3	.3	.0	.07	-22.2	36.7	38.5	.9	.0	.24	-4.0
Jerrico Inc M	20.13	-.75	-3.6	20.50	19.63	21.63	14.25	5,136	3.25	2.66	22.2	14.3	.12	.6		fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp A	3.75	-.25	-6.3	4.00	3.75	4.38	1.13	84	.34	1.88	-81.9	4.1	.00	.0	—	6 mos.	03-85	5.6	-12.5	(.1)	NE	(.06)	NE	10.8	-.9	3.8	NE	1.61	NE
Karcher Carl M	15.88	-.38	-2.3	16.13	15.75	29.13	13.50	831	1.17	1.98	-40.9	14.3	.00	.0	—	3 mos.	04-85	95.5	-2.7	.8	-82.2	.11	-82.8	95.5	-2.7	.8	-82.2	.11	-82.8
Kelly-Johnston O	.38	.00	.0	0.50	0.38	5.00	.25	1,080	1.27	1.27	.0	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	-100.0	.44	193.3	60.3	93.9	(13.5)	-100.0	.00	-100.0
Lifestyle Rest A	1.75	.00	.0	1.88	1.63	3.50	1.63	193	.34	.40	-15.0	NE	.00	.0	—	6 mos.	04-85	24.6	-12.1	(1.7)	NE	(.29)	NE	41.7	-11.7	(4.2)	NE	(.73)	NE
Luby's Cafe N	34.13	.25	.7	34.38	33.25	37.38	26.38	265	.22	.60	-63.3	22.0	.60	1.8	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	18.50	-.38	-2.0	18.88	18.50	19.13	13.88	102	.20	.60	-66.7	12.0	.30	1.6	—	9 mos.	02-85	27.2	5.8	.8	100.0	.16	77.8	90.9	4.2	5.6	9.8	1.10	10.0
Marriott Corp N	96.50	-.13	-.1	96.75	92.13	100.00	70.00	1,602	.62	.62	.0	16.9	.54	.6	—	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	3.00	-.13	-4.0	3.13	2.75	6.25	2.25	15	.03	.20	-85.0	100.0	.00	.0	—	3 mos.	04-85	3.1	29.2	.0	-100.0	.00	-100.0	3.1	29.2	.0	-100.0	.00	-100.0
Max & Erma's O	2.75	.00	.0	3.25	2.75	4.75	2.50	4	.02	.18	-88.9	NE	.00	.0	—	6 mos.	04-85	3.8	-13.6	.0	NE	.02	NE	8.6	-2.3	.1	NE	.05	NE
McDonald's Cp N	66.13	.25	.4	66.50	64.00	70.00	48.50	10,140	1.18	1.05	12.4	14.3	.90	1.4		6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures M	11.25	.00	.0	11.25	11.00	12.25	9.75	160	.33	.94	-64.9	13.9	.00	.0		6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc M	21.00	-.63	-2.9	22.00	21.00	21.88	15.50	1,883	1.42	1.50	-5.3	13.7	.48	2.3	—	fiscal	05-85	126.0	-1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak O	1.88	-.13	-6.3	2.13	1.88	3.13	1.13	207	.43	.88	-51.1	NE	.00	.0	—	6 mos.	03-85	.9	-94.8	(.2)	NC	(.05)	NC	14.8	-54.7	(.1)	NC	(.03)	-100.0
Nankin Express O	.88	-.25	-22.2	1.13	0.88	2.38	.63	185	.82	.93	-11.8	NE	.00	.0	—	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans M	3.88	.25	6.9	3.88	3.50	4.50	2.00	160	.72	.44	63.6	12.1	.05	1.3		fiscal	03-85	4.5	9.8	(.2)	NE	(.07)	NE	21.7	8.5	.7	75.0	.32	69.4
Natl Pizza M	12.38	.50	4.2	12.38	11.63	12.38	7.50	289	.52	1.16	-55.2	16.7	.00	.0		3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc M	5.50	-.50	-8.3	5.63	5.25	10.13	4.50	1,262	2.78	1.74	59.8	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	7.75	.00	.0	8.25	7.75	8.50	5.94	9	.07	.48	-85.4	45.6	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	-100.0	4.7	4.4	(.1)	NC	(.11)	-100.0
1 Potato 2 O	1.13	.50	80.0	1.50	0.50	7.75	.50	187	.85	.63	34.9	NE	.00	.0	—	3 mos.	04-85	3.5	-7.9	(.4)	NE	(.17)	NE	3.5	-7.9	(.4)	NE	(.17)	NE
Old Fashion Fd M	4.75	.25	5.6	5.00	4.63	5.25	4.00	192	1.37	.64	114.1	7.5	.00	.0		fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet M	8.25	.13	1.5	8.25	8.13	8.38	6.00	782	2.11	2.80	-24.6	14.7	.13	1.6		9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants M	.19	.06	50.0	0.19	0.13	1.88	.13	1,020	1.18	1.96	-39.8	NE	.00	.0	—	6 mos.	12-84	5.5	-69.6	(17.1)	NE	(1.97)	NE	13.8	-54.0	(20.4)	-100.0	(2.36)	-100.0
Piccadilly Caf M	22.25	-.25	-1.1	22.38	22.13	24.25	16.50	808	1.34	.84	59.5	14.1	.60	2.7	—	9 mos.	03-85	44.0	2.6	1.3	-40.9	.21	-41.7	138.8	8.1	7.0	18.6	1.16	18.4



Source: Media General Financial Services

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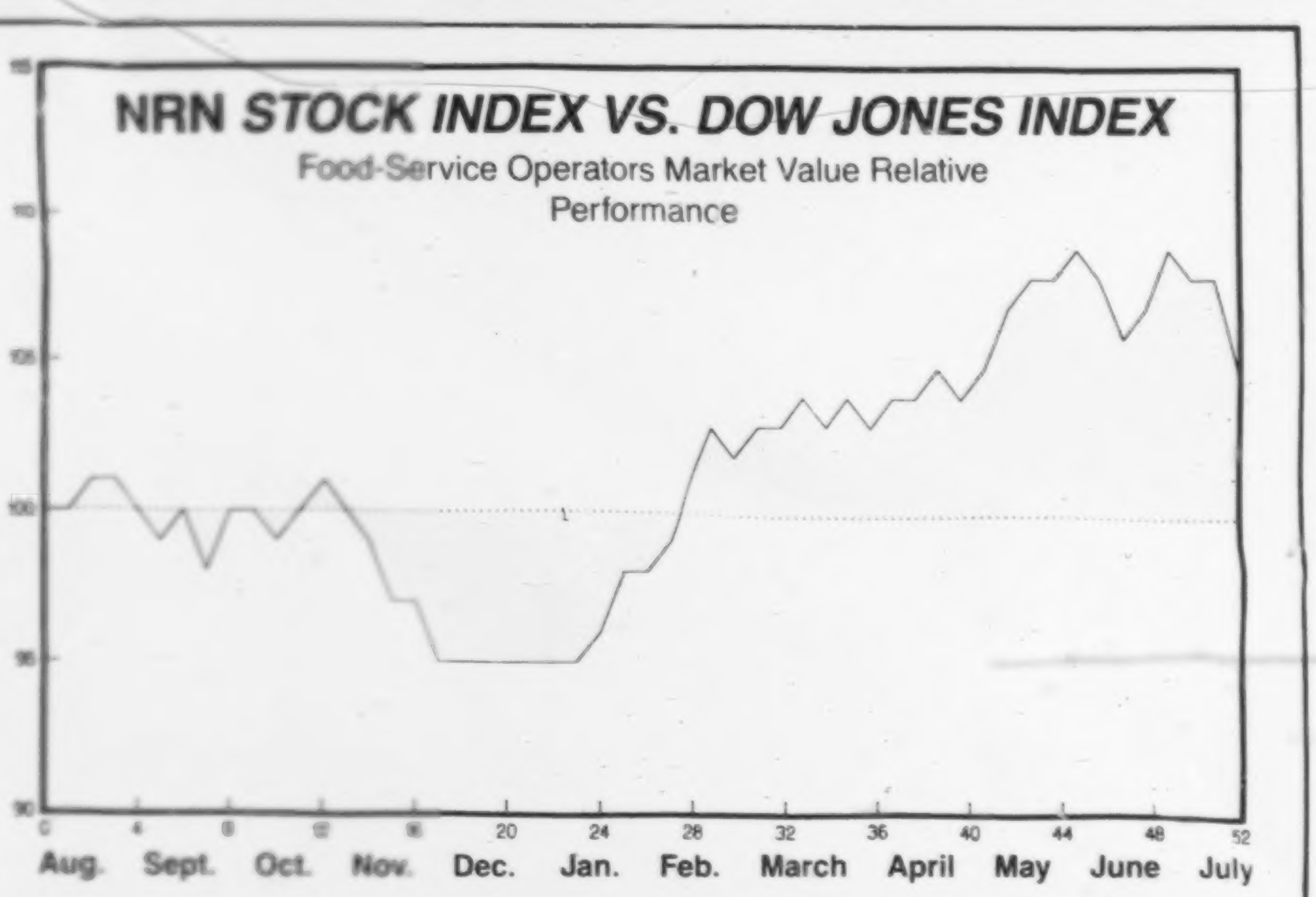

Company and Market		Stock Market											Financial Update																	
		Price							Volume					Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		8-02-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol As % Out	Volume Trend Change	P/E Ratio			New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
			Amt.	Pct.	High	Low	High	Low	Total	% Out				Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn	A	8.13	.00	.0	8.13	7.63	12.75	6.88	150	.49	.91	-46.2	27.1	.08	1.0	—	3 mos.	03-85	47.7	24.2	.1	-87.5	.04	-84.6	47.7	24.2	.1	-87.5	.04	-84.6
Po-Folks	M	14.13	-.38	-2.6	14.63	14.00	16.63	8.75	501	1.13	1.16	-2.6	18.3	.00	.0		9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys	N	12.25	.00	.0	12.38	11.75	21.00	10.75	947	.98	2.38	-58.8	27.2	.40	3.3	—	3 mos.	06-85	117.2	-1.3	.8	-82.2	.08	-85.5	117.2	-1.3	.8	-82.2	.08	-85.5
Primo Inc	O	2.25	.13	5.9	2.50	2.13	4.63	1.50	164	.49	.82	-40.2	NE	.00	.0	—	6 mos.	03-85	.8	-20.0	.1	.0	.03	.0	1.8	-10.0	.2	.0	.07	16.7
RAX Restaurants	M	8.00	-.25	-3.0	8.50	7.25	16.38	7.25	1,098	1.60	.78	105.1	40.0	.00	.0	—														
Rest Assoc	A	8.88	.75	9.2	9.25	8.25	9.25	5.38	527	1.87	.69	171.0	20.6	.00	.0	—	3 mos.	03-85	33.2	10.7	(.3)	NC	(.12)	NC	33.2	10.7	(.3)	NC	(.12)	NC
Rest Mgmt	O	19.25	-.25	-1.3	19.75	19.25	20.00	9.00	149	.94	1.60	-41.3	20.3	.09	.5	—	6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems	M	15.50	-.75	-4.6	16.00	15.00	16.50	11.75	243	1.05	1.08	-2.8	17.0	.00	.0	—	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D	M	2.25	.25	12.5	2.25	2.00	6.25	1.75	388	.75	.86	-12.8	NE	.00	.0	—	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican	M	16.63	-.25	-1.5	16.63	16.63	18.25	11.00	207	.73	.52	40.4	22.5	.00	.0	—	9 mos.	04-85	13.0	39.8	.6	20.0	.24	-4.0	34.5	40.2	1.1	.0	.42	-20.8
Ryan's Fam	M	18.00	.50	2.9	18.00	17.50	19.25	11.34	461	.66	1.29	-48.8	29.5	.00	.0	—	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp	N	26.75	.25	.9	27.50	26.00	35.50	24.50	3,023	2.31	1.69	36.7	10.7	.52	1.9	—	9 mos.	03-85	327.3	15.2	7.6	-7.3	.57	-8.1	930.0	12.7	27.0	9.8	2.02	5.2
Sandwich Chef	M	8.63	.13	1.5	8.63	8.25	9.00	6.88	60	.48	.71	-32.4	15.1	.00	.0	—	9 mos.	03-85	7.2	9.1	.2	.0	.13	-23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley	M	7.38	.38	5.4	7.38	6.88	9.50	6.50	1,113	3.50	2.57	36.2	3.9	.00	.0	—	6 mos.	06-85	15.3	-7.8	.3	-81.3	.13	-68.3	29.9	-8.3	2.3	-23.3	.70	-9.1
Shoney's Inc	M	26.38	-1.88	-6.6	27.13	26.25	31.88	21.94	4,409	1.55	1.14	36.0	22.2	.15	.6	—	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South	M	10.75	-.25	-2.3	11.00	10.38	16.59	10.00	1,290	2.30	1.54	49.4	10.1	.00	.0	—	3 mos.	03-85	50.3	8.2	.9	-52.6	.15	-55.9	50.3	8.2	.9	-52.6	.15	-55.9
SIS Cp	O	4.25	.00	.0	5.00	4.25	6.00	3.25	82	.53	.30	76.7	NE	.00	.0	—	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl	M	16.50	-1.25	-7.0	16.75	16.00	17.75	9.00	1,154	1.13	.95	18.9	17.0	.00	.0	—	fiscal	04-85	42.6	13.0	2.9	16.0	.28	16.7	159.5	11.9	9.9	23.8	.97	24.4
Skippers	M	9.38	.13	1.4	9.50	9.13	12.50	8.50	102	.37	1.20	-69.2	10.2	.06	.6	—	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	-2.4
So Hospitality	M	4.88	.00	.0	5.00	4.63	5.88	4.00	1,450	2.91	2.64	10.2	13.9	.00	.0	—	fiscal	05-85	3.4	-6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face	O	.75	-.03	-4.0	0.81	0.72	1.44	.50	481	.32	.36	-11.1	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	-100.0	(.04)	-100.0
Swensens Inc	O	2.25	-.13	-5.3	2.50	2.25	3.50	1.50	87	.16	.28	-42.9	NE	.00	.0		6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	-100.0
Taco Villa	O	5.75	-.25	-4.2	6.25	5.75	7.75	4.75	94	.24	.19	26.3	19.8	.00	.0	—	3 mos.	03-85	8.8	22.2	.3	.0	.07	-12.5	8.8	22.2	.3	.0	.07	-12.5
Taco Viva	M	5.50	.13	2.3	5.75	5.38	7.50	4.84	135	.39	1.25	-68.8	16.2	.00	.0	—	9 mos.	02-85	5.5	-6.8	.3	-25.0	.10	-9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's	N	9.75	-.50	-4.9	10.38	9.63	12.38	7.88	533	.46	.78	-41.0	14.1	.00	.0		6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas	O	2.00	.00	.0	2.50	2.00	2.38	2.00	23	.15	.10	50.0	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs	M	19.63	.38	1.9	19.75	17.50	21.50	2.22	1,629	3.74	3.65	2.5	54.5	.00	.0	—	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld	N	37.38	-1.38	-3.5	38.88	37.25	41.13	28.00	4,037	1.13	1.90	-40.5	12.4	.48	1.3		6 mos.	06-85	529.7	5.1	30.9	3.3	.79	-7.1	1009.5	4.3	47.1	-4.3	1.19	-9.8
USACafes	M	6.38	.00	.0	5.50	5.13	6.00	2.75	1,707	2.72	2.53	7.5	15.4	.28	5.2		9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	-10.3
Vicorp Restaurants	M	25.75	-1.13	-4.2	26.13	24.75	28.25	13.25	1,666	1.98	5.55	-64.3	21.5	.12	.5	—	6 mos.	04-85	85.8	61.0	1.4	-30.0	.17	-43.3	192.5	121.3	2.8	-9.7	.34	-26.1
Victoria Stations	M	3.00	.25	9.1	3.00	2.75	6.63	2.13	503	1.11	2.18	-49.1	NE	.00	.0	—	fiscal	03-85	20.3	-14.0	(2.2)	NE	(.62)	NE	93.8	-7.3	(5.9)	NE	(1.67)	NE
Wendys Intl	N	17.50	-.38	-2.1	17.75	17.13	19.13	12.19	7,318	1.00	1.38	-27.5	18.2	.21	1.2	—	3 mos.	03-85	236.5	15.1	14.5	11.5	.20	11.1	236.5	15.1	14.5	11.5	.20	11.1
Wstn Steer	M	12.00	.50	4.3	12.00	10.50	12.00	9.00	31	.26	.30	-13.3	19.7	.20	1.7	—	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp	N	6.13	.00	.0	6.25	6.13	13.38	5.13	224	.50	.75	-33.3	43.8	.00	.0	—	3 mos.	03-85	24.0	-1.2	(.6)	-100.0	(.16)	-100.0	24.0	-1.2	(.6)	-100.0	(.16)	-100.0
Hotels, Motels, and Casinos																														
Brock Hotel Cp	N	2.50	-.13	-4.8	2.75	2.50	5.63	1.88	446	.34	.95	-64.2	NE	.10	4.0	—	3 mos.	03-85	66.8	-8.6	13.9	2680.0	.98	2350.0	66.8	-8.6	13.9	2680.0	.98	2350.0
Hilton Hotels	N	63.88	.25	.4	64.75	62.63	73.50	49.00	1,042	.42	.83	-49.4	13.4	1.80	2.8	—	6 mos.	06-85	180.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Inns	N	53.50	.63	1.2	58.13	51.50	58.13	35.25	4,816	1.68	1.28	31.3	13.4	1.00	1.9	—	3 mos.	03-85	427.2	6.4	33.7	29.6	1.08	56.5	427.2	6.4	33.7	29.6	1.08	56.5
Prime Mtr Inn	N	34.63	.13	.4	35.13	34.00	35.13	16.13	1,752	.91	1.03	-11.7	30.6	.09	.3	—	9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns	N	7.38	.50	7.3	7.63	6.63	8.25	5.13	9,998	2.69	1.90	41.6	92.2	.00	.0	—	3 mos.	03-85	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0
Servico Inc	M	20.00	-.91	-4.3	20.91	20.00	21.38	13.44	132	.34	.70	-51.4	13.9	.00a	.0		3 mos.	03-85	42.0	-2.1	.1	-88.9	.04	-83.3	42.0	-2.1	.1	-88.9	.04	-83.3
Sonesta Intl	O	22.50	.00	.0	25.00	22.50	27.00	18.50	20	.13	.07	85.7	7.6	.40	1.8	—	3 mos.	03-85	12.0	-13.7	(2.1)	NE	(1.85)	NE	12.0	-13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																														
Allegheny Bev	M	19.25	-.38	-1.9	19.38	19.00	22.63	15.25	331	.55	1.77	-68.9	19.1	.40	2.1	—	9 mos.	12-84	NC	NC	(2.3)	-100.0	(.37)	-100.0	368.4	35.4	4.7	-48.9	.75	-49.3
Ch Full O Nut	N	8.50	.25	3.0	8.50	8.00	11.41	7.00	174	.36	.57	-36.8	NM	.00a	.0	—	9 mos.	04-85	29.9	4.2	.1	-66.7	.02	-66.7	87.1	.2	.4	-60.0	.09	-57.1
Disney, Walt	N	90.63	2.38	2.7	91.75	86.50	95.00	53.63	6,496	1.97	2.03	-3.0	51.2	1.20	1.3	—	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Arden Intl	O	2.25	.13	5.9	2.63	2.13	2.75	1.13	205	.87	.60	45.0	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills	N	56.88	.13	.2	56.88	55.88	64.00	47.75	4,490	1.01	1.67	-39.5	33.7	2.24	3.9	—	9 mos.	02-85	354.8	-73.6	(74.1)	-100.0	(1.64)	-100.0	3300.6	-22.2	35.6	-81.5	.79	-80.6
Grace W R	N	42.75	.38	.9	43.00	42.25	44.50	38.50	4,657	.96	.94	2.1	12.4	2.80	6.5	—	6 mos.	06-85	1908.8	9.6	41.4	-28.0	.83	-29.7	3488.8	7.7	76.9	-25.6	1.55	-26.9
Horn & Hardart	A	8.50	-.38	-4.2	8.88	8.50	15.59	8.38	778	.63	1.13	-44.2	16.3	.00a	.0	—	3 mos.	03-85	82.3	-4.7	.0	-100.0	(.01)	-100.0	82.3	-4.7	.0	-100.0	(.01)	-100.0
Ogden Corp	N	31.13	-.38	-1.2	31.50	30.50	34.25	24.13	1,258	.66	1.00	-34.0	15.0	1.80	5.8	—	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc	N	57.88	1.38	2.4	58.25	55.25	60.50	39.88	18,941	1.97	1.87	5.3	15.1	1.78	3.1	—	3 mos.	03-85	1683.6	4.9	62.8	33.1	.66	32.0	1683.6	4.9	62.8	33.1	.66	32.0
Pillsbury Co	N	51.38	1.13	2.2	54.25	48.00	56.63	36.63	5,775	1.33	.89	49.4	12.2	1.56	3.0	—	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	-17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec	O	3.75	.25	7.1	4.00	3.50	4.50	3.50	4	.02	.09	-77.8	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	-100.0	1.1	57.1	(.1)	NC	(.03)	-100.0
Vie de France	M	10.63	.00	.0	10.63	10.25	15.25	8.13	1,572	1.45	1.57	-7.6	18.0	.23	2.2	—	9 mos.	03-85	18.8	16.8	1.5	-11.8	.15	-11.8	48.5	20.3	4.5	9.8	.42	2.4

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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NEWSPAPER

Rocky Aoki eyes new challenges

Newsmaker profile/Page 3

Check prices as margins fa

Menu analysis/Pag

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Operators split on meal cap

Some blast plan, others unmoved

By Paul Frumkin

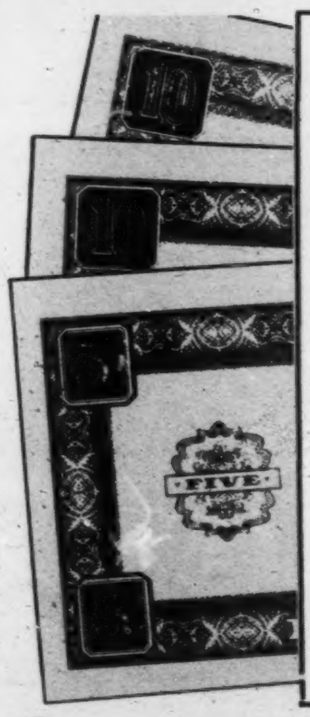
Independent restaurateurs appear to be split over the Reagan administration's proposed $25 meal cap and the effect it will have on their businesses.

The current proposal—which limits the full tax deduction on business meals to $25, while allowing a 50% deduction for any costs exceeding that limit—is alternately being blasted or disregarded by operators across the country.

Opponents of the bill argue that a meal cap would severely cut into their expense account business and, as a result, force them to reduce the size of their staffs.

But there are also operators who admit that while they are opposed to limits on deductions, it would still be business

(See **OPERATORS,** page 11)



FINE DINING FOR $25 OR LESS

Restaurant (Location)	What You Can Get (Tax and Tip Included)	Average Check
Dominique's (Washington, D.C.)	Lunch and dinner: Soup, poached trout, coffee	Lunch: $17-$23 Dinner: $30-$35
Le Bec Fin (Philadelphia)	Lunch only: $17 fixed price menu incl. selections such as salmon and soft-shell crab and a glass of house wine	Lunch: $25-$30 Dinner: $70
Anthony's Pier 4 (Boston)	Lunch or Dinner: Broiled scrod, potato, salad, dessert, coffee and a glass of house wine	Lunch: $16 Dinner: $27

Source: *NRN* research

Contract feeders may see benefits

NEW YORK — Contract feeders and caterers say the threat of a cap on business meal tax deductions is promoting more corporations to seek their services.

The proposed cap—part of the Reagan administration's tax plan—would limit the deductions for business meals consumed within restaurants to $25 per person, tax and tip included. A 50% write-off of amounts exceeding $25 would also be allowed.

Congress is expected to consider the proposal when it reconvenes this fall.

"In Washington there will be a lot

(See **MEAL CAP,** page 127)

Indys, NRA create new trade group

Membership limited to large operators

By Charles Bernstein

WASHINGTON — Operators of independent restaurants are attempting to form their own trade group under the auspices of the National Restaurant Association, *Nation's Restaurant News* has learned.

The group, tentatively called the Large Independent Operators Study Group (LIO), held meetings earlier this year, in New Orleans and Denver, and has scheduled a conference for Sept. 26 to 28 in Washington, to coincide with the NRA's fall meeting.

Organizers declined to specify the criteria for membership, but it is believed an outlet with less than $1 million in sales would not qualify.

That benchmark is expected to exclude a large percentage of the industry's independents.

Yet the LIO has been hailed by

(See **INDEPENDENTS,** page 127)

Grace offers $23M to buy Hungry Tiger

By Richard Martin

NEW YORK — With the ink barely dry on last month's deal to buy 52 General Mills dinnerhouses, W. R. Grace & Co. has forged another link in its chain-acquisition strategy by agreeing to buy the 40-unit Hungry Tiger seafood-dinnerhouse company, based in Van Nuys, Calif., for Grace stock worth $23 million.

The General Mills and Hungry Tiger acquisitions would increase Grace's restaurant holdings to more than 860 outlets. Last year Grace bought two other California-based restaurant concerns—Marriott-Host's 53 dinnerhouses (mostly Casa Maria and Charley Brown's outlets) and David Nancarrow's 89-unit Carrow's coffee shop chain.

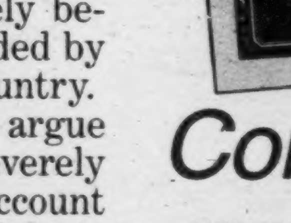
The agreement in principle would provide a 0.16092 share of Grace stock for each of Hungry Tiger's 3.26 million shares outstanding. Based on stock prices at presstime on the Over-The-Counter Exchange, Hungry Tiger shareholders would receive a 25% premium for their stock, which closed at $5.63, up 88¢. Grace stock, traded on the New York Stock Exchange, closed down 50¢ at $43.63.

If concluded, the deal would also give Grace the option of buying 700,000 Hungry Tiger shares, held by certain of the company's directors, for $7 each, instead of stock. Spokesmen for both companies declined to elaborate on the

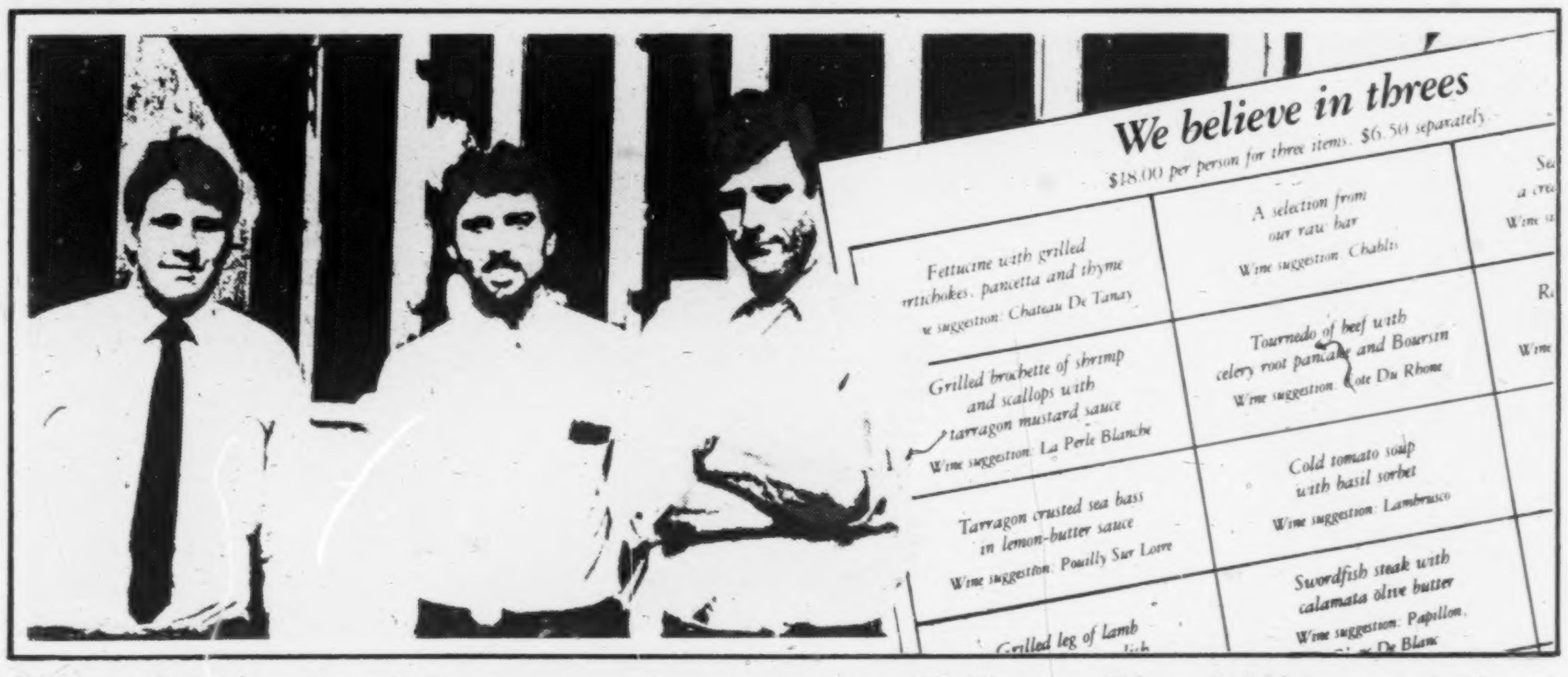
(See **GRACE,** page 127)

Hungry Tiger
Van Nuys, Calif.
Operates:

- 40 Hungry Tigers
- 6 Breakers
- 8 California Restaurant Concepts
- 1 H.T.'s



Kikugawa



We believe in threes
$18.00 per person for three items. $6.50 separately
Fettucine with grilled artichokes, pancetta and thyme
Wine suggestion: Chateau De Tanay
A selection from our raw bar
Wine suggestion: Chablis
Grilled brochette of shrimp and scallops with tarragon mustard sauce
Wine suggestion: La Perle Blanche
Tournedo of beef with celery root pancake and Boursin
Wine suggestion: Cote Du Rhone
Tarragon crusted sea bass in lemon-butter sauce
Wine suggestion: Pouilly Sur Loire
Cold tomato soup with basil sorbet
Wine suggestion: Lambrusco
Swordfish steak with calamata olive butter
Wine suggestion: Papillon
Grilled leg of lamb

Outside Triplets, from left, are general manager Steve Robinson, financial manager Andrew Congelosi and owner Jeff Spiegel. A portion of Triplets' menu is shown at right.

Triplets: A strategy of threes

Menu has no appetizers or entrees, only small dishes

By Marilyn Alva

NEW YORK — Noticing that many of their customers were shunning traditional dining habits in favor of sharing appetizers and entrées, two restaurateurs here decided to turn the trend to their advantage next time around.

The resulting restaurant is called Triplets, a modern, unpretentious place on 8th Avenue in Chelsea, where there are no appetizers and entrées as such—only an assortment of small portions made to eat in threes. As the menu says: "The idea is simple. Triplets means three [small] plates. Three plates make a meal. The choice is yours."

In three columns with no headings, 24 different food preparations are presented on the menu. Customers are encouraged to choose three for a set price of $18, although individual selections can be had for $6.50 each. "The menu is presented in a way that customers will think about food in a freer way," said Jeff Spiegel, a Triplets owner.

"We considered what number made sense for

(See **TRIPLETS,** page 127)

From top Olympic wrestler to restaurateur

Rocky Aoki strikes it rich with Benihana

By Marilyn Alva

MIAMI — In the early 1960's, Rocky Aoki, the touring Japanese Olympic wrestler who became enchanted with the United States and stayed, tried his luck at the American dream. He opened a little restaurant on West 56th Street in Manhattan, a few miles south of the Harlem neighborhood where he sold ice cream from a Mr. Softee truck.

Aoki had $10,000 of his own money saved from his Harlem ice cream business and borrowed another $10,000 from the Bank of Tokyo.

His concept was intriguing. Thinking Americans were friendly and talkative but essentially lonely, he wanted to offer his four tables as communal tables where strangers would sit together and be entertained not only by each other but also by a cook who would prepare the food in front of them on hibachi grills.

Newsmaker

The entrées would not be the "slimy" dishes Americans expected from a Japanese restaurant but such familiar fare as steak, chicken and shrimp.

The rest is restaurant chain history. The first small Benihana turned into a second and third and fourth, each bigger and classier than the next, spreading to the Midwest, the South and the West. In addition to the 47 units that eventually sprouted, Aoki and his brothers own 25 restaurants in Japan.

Rocky Aoki became a millionaire many times over, and in character with a man who sees himself as a "professional challenger and adventurer," he tried his hand at other sports—powerboat racing, backgammon, ballooning—and business ventures, the latest of which, Benihana Frozen Food Classics, has pumped about $42 million into the Aoki empire after only one year and with an initial investment of only $150,000.

Rocky Aoki in the kitchen.

Aoki, 46, sees the frozen-food fortune as an omen for a "new beginning." The Benihana Japanese-style steak-

*(See **AOKI**, page 127)*

Vendors hit hard by short walk

By Ken Frydman

NEW YORK — Food-service concessionaires in 13 cities lost upward of $400,000 each during the two-day baseball strike that began on Aug. 6.

By comparison, the contract feeders lost sales of $100,000 to $125,000 from each game missed over the course of the 50-day baseball strike in 1981.

Canteen Corp., which provides the contract food service at Yankee Stadium and employs up to 700 part-time hourly workers at the arena, had to lay off all but six administrative employees during this year's strike. All the vendors were rehired at the conclusion of the major-league players' walkout.

George Toney, president of Canteen's recreation services division, estimated that approximately 6,000 peanut, beer, hotdog and soda sellers were sidelined as a result of the strike.

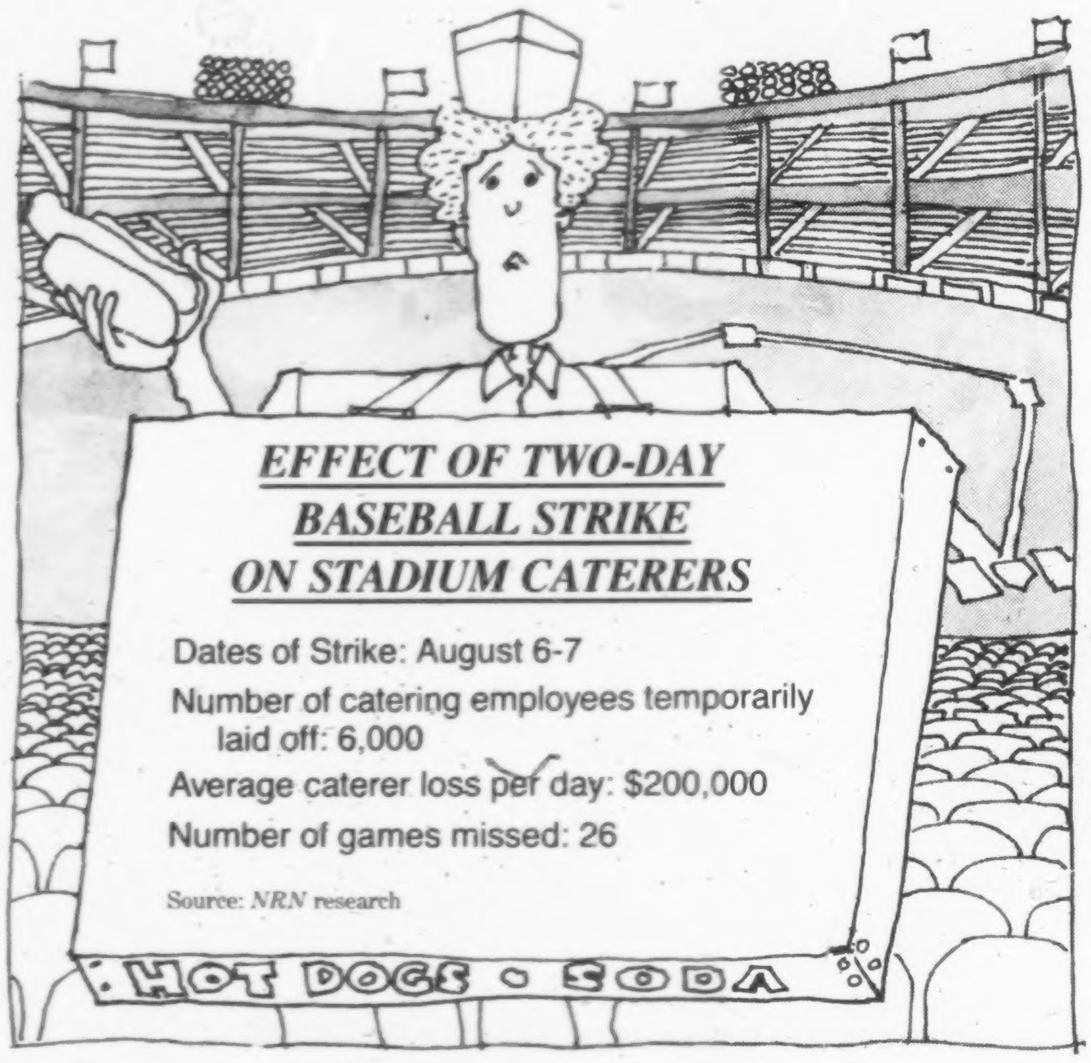
"The biggest economic impact of the strike for us was all the hourly employees we had to let go," Toney said. "We were able to salvage most of our inventory and were ready to start up again 24 hours after the strike ended."

Harry M. Stevens, which contracts with Shea Stadium, the Houston Astrodome and Fenway and Candlestick parks, fared better than most contract feeders during the strike. Only one of the stadium's Stevens services—the Astrodome—was the site of regularly scheduled games that were canceled.

"We only lost two games' revenue," said Nora DePalmo, Stevens's spokesman. "It was easy for us to get back in stride." DePalmo would not reveal Stevens' losses.

Sportservice lost four games' food-service sales, two at Cincinnati's Riverfront Stadium and two at Chicago's Comiskey Park.

"None of the food-service contractors suffered big losses during the strike because no one has more than four separate baseball stadium contracts," Toney said.



EFFECT OF TWO-DAY BASEBALL STRIKE ON STADIUM CATERERS

Dates of Strike: August 6-7

Number of catering employees temporarily laid off: 6,000

Average caterer loss per day: $200,000

Number of games missed: 26

Source: *NRN* research

Shakey's moves into franchising

Chain shuts 11 more units

By Alan Liddle

IRVING, Tex. — Another wave of unit closings has swept through the Shakey's pizza system as it continues to reposition itself as a primarily franchised operation.

Gregg Golem, vice president of operations for the Irving-based chain, said 11 company units shut down: six in Colorado, four in Oregon and one in Wyoming. Those steps were part of Shakey's effort to eliminate unprofitable stores—often older units in areas where the demographics have changed and are no longer suited to the pizza trade—so it can concentrate on franchising, he said.

The two remaining Colorado units are now company-owned but are being transferred to franchisees. Once those franchise deals are completed, 11 company units will remain in the 292-unit chain.

"We're changing the strategy of the corporation [and] becoming a franchising entity," said Rodney Read, vice president of marketing.

Because the current owners of the 30-year-old chain obtained it through a leveraged buyout in 1984, Shakey's Inc. "doesn't have a lot of capital to play with," Golem said.

He explained that it would be unwise for the company to embark on a costly plan involving the resuscitation of lost-cause units and the building and staffing of corporate stores.

Golem indicated that refin-

*(See **SHAKEY'S**, page 117)*

New Viewpoint section, more columns in *NRN*

With this issue *Nation's Restaurant News* begins a number of major editorial changes designed to make the newspaper even more exciting and useful to its readers.

Starting on page F19, *NRN*'s new **Viewpoint** section debuts as a forum for ideas and major issues confronting the food-service industry. **Viewpoint** will contain letters and columns written each week by key industry opinion makers on issues of timely interest.

Also, a variety of new columns will appear regularly throughout *NRN*:

- Mark Schoifet's "Promo Perspective" is on page 97. Schoifet, *NRN* associate editor, covers the advertising and promotion beat.
- "Lodging Report," by Peter Romeo, *NRN*'s hotel specialist, appears on page 45.
- "State Report," a roundup of issues affecting the industry at the local level, is written by associate editor Marilyn Alva and appears on page 16.
- Two regional new columns, from West Coast editor Richard Martin and Alan Liddle of the San Francisco bureau, appear on page 13.

VIEWPOINT NRN
THE LABELING CONTROVERSY
Beyond traditional recruiting: 9 ways to hire

Those features join a number of additions to *Nation's Restaurant News* in the last few months, including a picture page and a weekly people page, dealing with job changes and corporate personnel shifts.

For Matta's, boom is not new

Family has served Mexican food since prairie days

MESA, Ariz. — After viewing the recent surge in popularity of Mexican food and the resulting start-up of so many Mexican chains, David Matta, owner of the 350-seat Matta's here, said he has just one question: Why did it take everyone so long to catch on?

The Matta family has operated a Mexican restaurant of one type or another here since the days when Arizona was nothing more than a sprawling prairie.

The menu for Matta's, the family's most recent Mexican venture, is basically the same as the one David Matta's great-great uncle used 120 years ago for a saloon-restaurant he opened after immigrating here from Mexico.

"Everyone who comes in here wants to see my father," Matta said. "Or they want to see me or my brothers. They want to know there's a Mr. Matta here. They want to know there's a family member watching."

The Matta's of today—a pioneer in East Mesa when it opened in 1953—is a $1.3 milion-a-year enterprise, feeding young families, old-timers who remember it as one of only two restaurants in the city at one time and young executives fueling the Sunbelt's energetic growth.

"Garcia's [a 35-unit Mexican dinnerhouse chain] started here," Matta said, "and they were very good. But once they went national, they lost who they were; they lost their 'familyness.' We basically stick pretty close to ourselves."

Sticking pretty close for David Matta includes having his wife, six children and two brothers working with him in the 8,000-sq.-ft. restaurant.

*(See **MATTA'S**, page 127)*

Correction

Because of a typographical error, the net loss for Swensen's Inc. was misstated in the Aug. 5 issue of *Nation's Restaurant News*. For the fiscal year ended Dec. 31, 1984, the company reported a net loss of $1.7 million on revenues of $11.4 million.

Hyatt, Hilton eye new niche with 'rooms-only' hotels

Lodging Report

Peter Romeo

Add Hilton Hotels and Hyatt Hotels to the list of chains looking to carve out a new niche in the mid-priced lodging market through the development of a "rooms-only" hotel.

A Hilton spokesman confirmed that the chain has a new scaled-down prototype for business travelers "on the drawing boards" but declined to comment further.

Executives of competing chains contend that the new Hilton product will be similar to Marriott's successful Courtyard concept and Ramada's new "inn of the future," with restaurants and public areas kept small to offer more luxurious and lower-priced guestrooms.

The executives believe that Hilton will use the new concept to step up its franchising efforts and use it as a possible replacement for its old roadside Hilton Inns.

Meanwhile, hoteliers in Texas report that Hyatt has its entry in the Courtyard lookalike contest already under development in Houston. The observers say the new prototype will feature about 220 rooms, a scaled-down all-day restaurant and a garden-style courtyard.

* * *

A move by Hilton and Hyatt into the burgeoning rooms-only segment would leave the chains less reliant on their restaurants as marketing tools, which may be sound reasoning.

Cover counts within hotel restaurants fell by 3.2% during April, marking the fourth consecutive month of declines, according to Laventhol & Horwath, an accounting firm.

The firm reports that hotel restaurants are trying to offset the drop in traffic by raising prices, raising the possibility of further declines in cover counts as "resistance to these increases on the part of the consumer begins to be felt."

Overall hotel food and beverage sales per occupied room climbed by less than 1% during April, to $33.21, the report said.

* * *

The beleaguered hotel industry may find itself embroiled in a new problem as computerization—particularly the use of video display terminals (VDTs)—continues to sweep through the trade.

About 60% of all VDT users, including front desk clerks and reservations agents, experience sight problems in one form or another, according to a new study by the National Association of Women Office Workers.

A spokesman for the association said that one member is already trying to collect worker's compensation for an eye illness that a doctor attributed directly to working on a VDT.

The American Optometric Association says it receives a similar influx of VDT-related complaints every day. Dr. Michael Smith of the National Institute of Occupational Safety and Health has said that there is a "well-documented" connection between VDT use and visual impairment.

Other studies have suggested that VDTs can cause cataracts and raise the risk of heart attacks for female users. But the National Academy of Science said it still stands by its 1982 finding that there are no discernible health hazards inherent in the use of VDTs.

* * *

Rocky Aoki, chairman and president of Benihana, has become the latest restaurateur to announce plans to expand into the hotel industry.

He joins Alan Stillman of Smith & Wollensky and T.G.I. Friday's fame, who says he plans to open a 25-room exclusive hotel in New York, and Anthony Athanas of Anthony's Pier 4 in Boston, who is codeveloping a hotel in Boston with Hyatt Hotels. The property will be called the Pier Hyatt.

Meanwhile, Ted Balestreri, president of the National Restaurant Association and operator of the Sardine Factory in Monterey, Calif., is working with partner Bert Cutino and restaurateur A. Cal Rossi Jr. to build the 291-room Monterey Plaza hotel.

Salaries of professional-level hospitality workers on the rise

NEW YORK — The hiring of professional-level employees within the U.S. hospitality industry is increasing at a rate of about 8.5%, according to a new employment survey by the consulting firm Roth Young Personnel Service Inc.

The survey, based on an analysis of more than 800 job requests placed with Roth Young, also found that the salaries of professional-level restaurant and hotel workers are increasing by 7% to 8%.

The study noted that the 1985 increases in hiring and salaries mirrors the increases of 1984.

General managers are most in demand within the restaurant industry, followed by chefs and fast-food outlet managers, according to the survey.

The study projected that general managers command a median salary of $36,000, chefs draw a median of $31,200 and fast-food managers collect a median of $46,000.

Within the U.S. lodging industry, chefs are most in demand, followed by food and beverage directors, said the study.

The executive chefs draw a median salary of $39,100, while food and beverage directors command a median salary of $35,900.

U.S. HOSPITALITY INDUSTRY SALARY OUTLOOK

Select High-Demand Jobs	Projected U.S. Median Salaries
Restaurant/FoodService	
V.P. Gen. Mgr.	$72,900
Sales/Marketing Director	66,100
Operations Director (Chain)	60,700
Controller (Chain)	61,400
Reg. Mgr. (Multi-Unit Chain)	53,100
Area Manager (Fast Food Chain)	46,000
Restaurant General Manager	36,100
Banquet Manager	30,800
Chef	31,200
Sous Chef	25,100
Lodging	
Vice President/Operations	65,200
General Manager	48,100
Marketing/Advertising Director	47,900
Construction Director	44,100
Personnel Director	38,200
Conference Manager	31,400
Executive Chef	39,100
Food & Beverage Director	35,900
Controller	33,400
Purchasing Manager	30,300
Pastry Chef	28,800
Assistant Manager	25,400

Source: Roth Young 2nd Half '85 U.S. Salary Outlook Survey

IRS: Servers need not pool their tips

ATLANTIC CITY — The Internal Revenue Service, responding to the protests of casino cocktail waitresses here, has dropped its request that the servers be forced to pool their tips.

The IRS had presented its proposal to the Casino Control Commission in an effort to halt a widespread underreporting of tips by the waitresses.

The IRS claims that the servers reported average tips of $2 an hour for 1980 and 1981. Undercover surveillance by IRS agents posing as gamblers found that the average for those years was actually more than $12 an hour.

The agency estimates that $2.2 million in federal taxes and $175,000 in state taxes was lost during 1984 because of tip underreporting.

Earlier this year, a U.S. Tax Court ruled that the IRS can assume that the servers take in about $12.46 an hour in tips and may tax the servers accordingly.

The ruling drew protests from the servers, who rented buses, journeyed to Washington, D.C. and demonstrated on the steps of the Capitol.

The IRS' request that the waitresses pool their tips, as casino dealers do, heightened the protest.

Local 54 of the Hotel and Restaurant Workers and Bartenders International, which represents the cocktail waitresses, claimed that the pooling of tips contradicts the servers' contract.

State Sen. William Gormley and Assemblyman J. Edward Kline, who represent Atlantic City, and U.S. Rep. William Hughes, who represents nearby Ocean City, expressed their opposition.

Florida State graduates hired at average $17,905

TALLAHASSEE, Fla. — Graduates of Florida State University's Department of Hospitality Administration were hired at an average salary of $17,905 at the conclusion of the 1984-85 school year, according to assistant professor David V. Pavesic.

Pavesic noted that the prevailing salary for 1986 graduates was about 5% higher than the average for 1984 graduates.

However, Pavesic pointed out that the average salary offered by cafeteria companies was lower this year than in 1984.

About two-thirds of the department's graduating class had accepted jobs at the time they were surveyed by Pavesic.

Pavesic said that 46 foodservice companies conducted on-site recruitment of the school's 1985 graduating class.

Over 772 interviews were conducted on campus by the recruiting companies, a 60% increase.

He noted that the number of students accepting jobs at private clubs in 1985 was more than double the 1984 tally.

Drexel U. adds hotel program to curriculum

PHILADELPHIA — Drexel University, a college here noted for its math, computer science and engineering curriculums, said it has added an educational program in hotel, restaurant and institutional food-service management.

The hospitality curriculum, which will begin with the coming fall semester, is a four-year course of study leading to a bachelor of science degree.

"One of its greatest strengths is Drexel's cooperative education plan, which will give students the opportunity to get out into industry and receive practical on-the-job training," said William J. Burt, who has been appointed director of the hospitality program. Burt said that the field training will take place in Philadelphia's major hotels.

Burt added that Drexel's "great tradition in science and technology" will very much be in evidence within the hospitality program.

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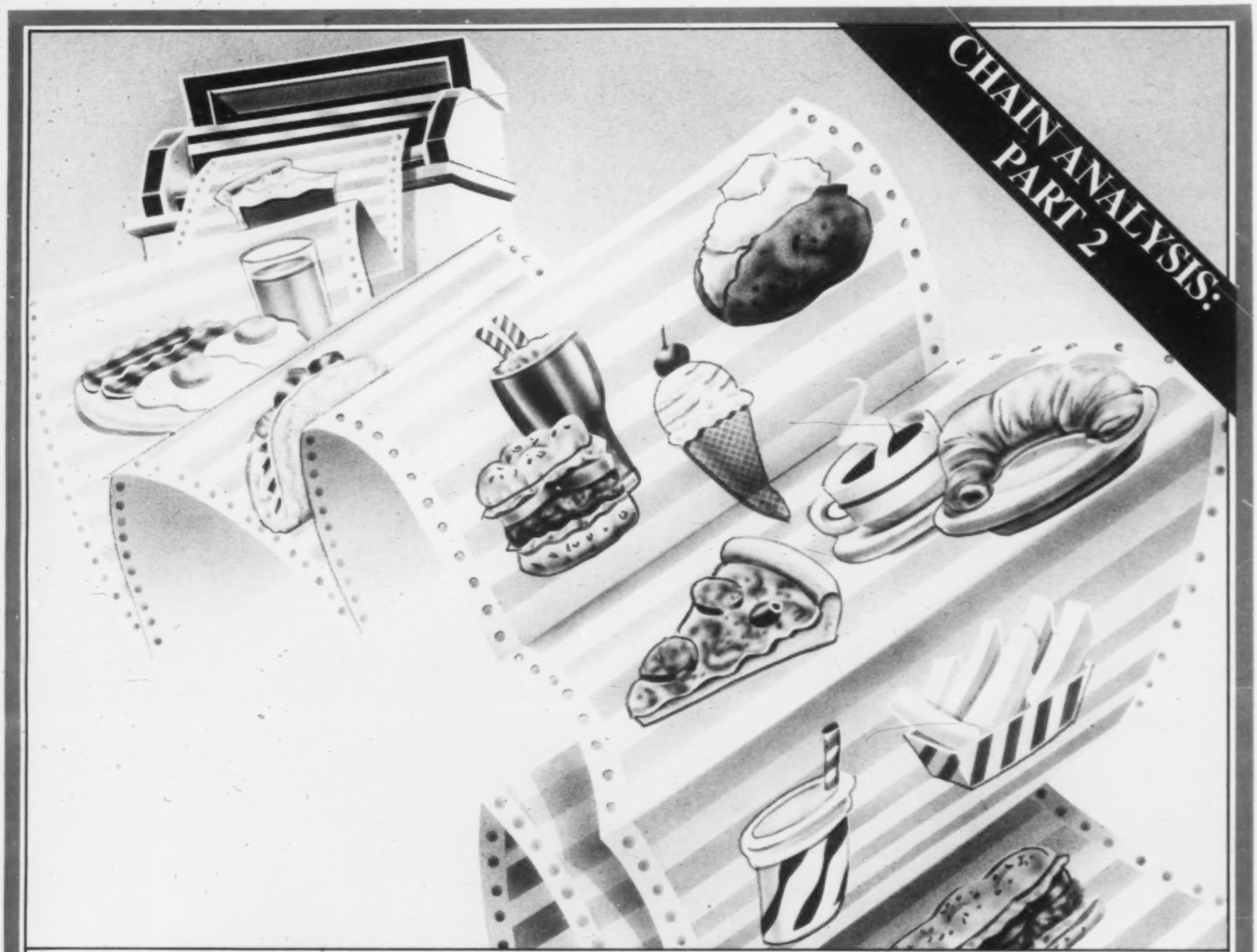


MENU ANALYSIS

IN THIS SECTION . . .

- Checks Top $4 Mark
- Pretax Profit Margins Fall
- Menu Price Increases Slow

What's happening to Dubrows?
Find out in the News Quiz on page F24.

PLUS

New, Expanded
VIEWPOINT
Section

FOCUS | NRN

COVER STORY

NRN *MENU ANALYSIS:* *CHAINS FACE DILEMMA*

Average per-person checks at family restaurants and coffee shops topped the $4 mark for the first time in 1985 while burger chain average per-person checks headed for the $3 mark.

Those figures, based on comprehensive *Nation's Restaurant News* surveys of major chains in each category, raised fears that those traditional popularly priced segments could now be pricing themselves into real trouble. Consumer resistance is probably already appearing in the form of flat traffic counts.

One surprise is that burger chains have widened their annual average per-unit-sales lead over coffee shops to $952,000 compared with $927,000. Just a few years ago coffee shops held a substantial lead, but the burger chains' rapid moves into sacred coffee shop breakfast territory has apparently caused the change.

Food cost percentages dropped a bit in both segments, and labor costs rose. Pretax profit margins decreased for both, but burger chains still held a 9.6%-8.4% lead over coffee shops.

Menu price rises abated somewhat in both segments, coming in at under a 4% increase over last year's. Sales of the principal burger dipped slightly for burger chains while breakfast sales—still a staple of the coffee shop industry—stayed virtually even.

AVERAGE BOX SCORE ON CHAINS: 1982-85

	Burger Chains				Family Restaurants/Coffee Shops			
	1982	1983	1984	1985*	1982	1983	1984	1985*
Average Check Per Person	$2.45	$2.50	$2.70	$2.82	$3.75	$3.84	$3.85	$4.01
Average Annual Sales Per Unit	$728,000	$794,352	$877,656	$952,224	$743,000	$808,288	$874,640	$927,992
Average % Food Costs to Sales	34.6	34.4	33.3	32.5	32.9	32.2	31.5	31.1
Average % Payroll Costs to Sales	24.6	24.5	24.0	24.3	28.0	28.0	29.1	29.5
Average % Pretax Profit	9.0	9.4	10.4	9.6	8.2	8.5	9.0	8.4
Average % Menu Price Increase	5.1	3.8	4.2	3.7	6.1	5.5	4.7	3.9
Main Specialty Item	Burger	Burger	Burger	Burger	Breakfast	Breakfast	Breakfast	Breakfast
% of Sales of Specialty Item	11.7	12.0	10.5	10.1	28.2	28.4	30.8	31.0

Source: *NRN* research

**NRN* estimate

Menu prices edge up nearly 4% in first half of '85

Rate is slightly slower than same 1984 period; wholesale prices drop

Menu price rises continued to hold fairly steady through the first six months of 1985, at just under 4% each month compared with prices the same month last year. But in June the average menu price rise edged up 4.14% over prices for the previous June, giving a cumulative menu price rise figure of 3.92% for the first six months compared with the prices the first six months of last year. *(See Editor's Corner, page 9.)*

This year's menu price average increases were running slightly below last year's 4.21% cumulative average for the year.

At the same time overall wholesale food prices dipped by a cumulative 1.30% for the first half of 1985 compared with the first half of last year. The figures for May and June were a respective 2.4% and 1.83% above the figures for the same months of last year.

Those sequences indicate that foodservice menu price increases are considerably outpacing those of supermarkets, which are more dependent on the wholesale food prices when one figures their pricing structures. Foodservice operators, on the other hand, have higher labor costs and feel they must pass along increased wages in the form of menu price increases—even if at a slightly slower rate than in 1984.

PRICE INDEX FOR FOOD AWAY FROM HOME

1980 to June 1985 (1967 = 100.0)

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1980 Index	256.10	258.30	260.90	263.00	264.60	266.60	267.80	269.50	271.40	273.10	275.30	277.70
1981 Index	280.90	284.70	286.10	288.20	289.30	290.60	292.40	293.70	294.80	296.20	297.20	297.70
1982 Index	299.80	301.20	302.40	303.60	304.80	305.90	307.60	308.70	309.80	310.70	311.40	312.60
1983 Index	314.50	315.20	316.50	318.00	318.60	319.30	319.80	321.00	322.20	323.90	324.80	325.50
1984 Index	327.20	328.50	329.80	330.90	332.60	333.10	334.40	335.50	335.80	336.60	337.70	339.20
1984/1983 % Change In Menu Price by Month	4.04	4.22	4.20	4.06	4.39	4.32	4.56	4.52	4.22	3.92	3.97	4.21
1984/1983 % Change In Menu Price Year to Date (Cumulative)	4.04	4.13	4.15	4.13	4.18	4.20	4.26	4.29	4.28	4.24	4.22	4.22
1985 Index	339.90	341.40	342.60	343.90	345.10	346.90						
1985/1984 % Change In Menu Price by Month	3.88	3.93	3.88	3.93	3.76	4.14						
1985/1984 % Change In Menu Price Year to Date (Cumulative)	3.88	3.90	3.90	3.90	3.88	3.92						

Source: *NRN* research

PRICE INDEX FOR WHOLESALE FOOD

1980 to June 1985 (1967 = 100.0)

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1980 Index	231.10	235.70	234.70	231.70	237.40	237.70	245.40	253.90	254.20	258.30	259.30	253.90
1981 Index	255.80	253.90	253.20	251.60	250.30	252.20	255.50	253.70	251.70	249.40	247.80	247.60
1982 Index	252.00	253.50	251.60	254.40	257.90	259.00	256.80	255.90	255.40	252.90	252.10	252.70
1983 Index	252.40	254.70	255.50	258.10	258.20	256.50	256.40	257.50	261.00	261.10	258.00	260.00
1984 Index	268.30	270.30	273.50	271.60	269.80	267.50	271.70	269.60	268.60	266.60	267.30	268.50
1984/1983 % Change In Wholesale Price by Month	6.30	6.12	7.04	5.23	4.49	4.29	5.97	4.70	2.91	2.11	3.60	3.27
1984/1983 % Change In Whlsle Price Year to Date (Cumulative)	6.30	6.21	6.49	6.17	5.83	5.58	5.63	5.51	5.22	4.90	4.78	4.66
1985 Index	267.80	269.70	268.40	267.10	264.30	262.60						
1985/1984 % Change In Wholesale Price by Month	−0.19	−0.22	−1.66	−2.04	−1.83							
1985/1984 % Change In Whlsle Price Year to Date (Cumulative)	−0.19	−0.20	−0.76	−0.99	−1.20	−1.30						

Source: *NRN* research

Pretax profit margins fall at family restaurants

Coffee shop/family restaurant pretax profit margins have dipped from 9% last year to 8.4% in 1985, a comprehensive *Nation's Restaurant News* survey of leading chains indicates.

While food costs as a percentage of sales dropped from 31.5% to 31.1%, labor costs rose from 29.1% to 29.5% and advertising and promotion costs from 2.6% to 3%.

Overall, food costs decreased by 1.4% while labor costs and menu prices each rose 3.9%.

A dramatic surge occurred in the key 25 to 49 age group, which now constitutes 48.7% of coffee shop customers. Meanwhile, the under-25 group declined to 20.1%.

A major climb took place in over-$25,000 family incomes, now representing 56.1% of all coffee shop customers. That reflects economic conditions that encourage customers to trade down from other segments to coffee shops or to trade up from fast food.

INSIDE STATISTICS OF FAMILY RESTAURANTS/COFFEE SHOPS

	1983	1984	1985*
Cost Profile			
Menu Price Changes	5.5%	4.7%	3.9%
Food Cost**	1.5	4.6	– 1.4
Labor Cost Increases	3.6	3.4	3.9
Consumer Profile			
Age Distribution Under 25	24.1	22.3	20.1
25-49	46.6	45.9	48.7
50+	29.3	31.8	31.2
Income Distribution			
Under $8,000	7.6	6.2	4.1
$8,000-$14,999	24.1	15.0	12.2
$15,000-$24,999	40.2	30.1	27.6
$25,000+	28.1	48.7	56.1
Sales Percentage Breakdown			
Breakfast	23.6	25.7	26.8
Lunch	29.2	31.2	30.4
Dinner/Supper	33.7	30.1	31.1
Other	13.5	13.0	11.7

Source: *NRN* research

**Due to wholesale price changes

**NRN* estimate

OPERATING HIGHLIGHTS OF FAMILY RESTAURANTS/COFFEE SHOPS

	1984	1985*
Food Sales	100.0%	100.0%
Food	31.5	31.1
Supplies	3.2	3.3
Labor	29.1	29.5
Utilities	4.8	4.9
Advertising, Promotion	2.6	3.0
Administrative, General	6.5	6.1
Repairs, Maintenance	1.7	2.0
Rent, Property Tax, Insurance	7.9	8.0
Depreciation	2.8	2.9
Interest	0.9	0.8
Total	91.0%	91.6%
Pretax Profit	9.0%	8.4%

Source: *NRN* research

**NRN* estimate

Burger chain margins narrow as most costs rise

Pretax profit margins of burger chains dipped from a 10.4% average last year to 9.6%, a comprehensive *Nation's Restaurant News* survey of leading burger chains indicates.

Spurred by lower wholesale food prices, food costs dropped from 33.3% of sales to 32.5%. But other costs rose, including labor, from 24% to 24.3%; utilities, from 3.6% to 3.8%; advertising and promotion, from 4.8% to 5%; and occupancy costs, 8% to 8.3%.

Overall, burger chain food costs dropped by 1.6% this year while labor costs jumped 3.9% and menu prices rose 3.7%.

The major change in income distribution of burger chain customers occurred in the middle bracket of $15,000 to $24,999 family incomes—now accounting for 37% of customers compared with 35.7% a year ago.

> *'Overall, burger chain food costs dropped by 1.6% this year while labor costs jumped 3.9% and menu prices rose 3.7%. Breakfast continues to grow, commanding 15.5% of average sales.'*

In burger chains' meal occasion sales, breakfast continues to grow, with 15.5% of sales now derived from it. As an apparent result of breakfast's climb, lunch has dropped slightly to 45.2% of sales, dinner and supper, to 37.1% and "other occasions," to 2.2%.

Average weekly units sales at burger chains jumped from $16,878 to $18,312, or a new annual average of $950,000. Within the mix, burgers dropped slightly as a percentage of sales while chicken and sandwiches edged up. Beverages grabbed a slightly higher proportion of the mix.

INSIDE STATISTICS OF BURGER CHAINS

	1983	1984	1985*
Cost Profile			
% Menu Price Changes	3.8%	4.2%	3.7%
% Food Cost**	1.5	4.6	– 1.6
Labor Cost Increases	3.6	3.4	3.9
Customer Profile			
Age Distribution Under 25	27.1	24.7	24.0
25-49	52.7	53.5	53.9
50 +	20.2	21.8	22.1
Income Distribution			
Under $8,000	7.9	4.7	3.2
$8,000-$14,999	22.8	20.1	20.0
$15,000-$24,999	33.0	35.7	37.0
$25,000+	36.3	39.5	39.8
Sales Percentage Breakdown			
Breakfast	12.1	14.0	15.5
Lunch	45.7	46.1	45.2
Dinner/Supper	37.4	37.5	37.1
Other	4.8	2.4	2.2

Source: *NRN* research

**Due to wholesale price changes

**NRN* estimate

OPERATING HIGHLIGHTS OF BURGER CHAINS

	1984	1985*
Food Sales	100.0%	100.0%
Food Cost	33.3	32.5
Supplies	4.0	4.0
Labor Cost, Benefits	24.0	24.3
Utilities	3.6	3.8
Advertising, Promotion	4.8	5.0
Administrative, General	6.0	6.3
Repairs, Maintenance	1.6	1.7
Rent, Property Tax, Insurance	8.0	8.3
Depreciation	2.8	2.9
Interest	1.5	1.7
Total	89.6%	90.4%
Pretax Profit	10.4%	9.6%

Source: *NRN* research

**NRN* estimate

SALES AT BURGER CHAINS

	Average Weekly Dollar Sales per Restaurant		Per Cent of Total Sales		Average Number of Items Sold per Week		Per Cent of Items Sold		Average Menu Prices	
Menu Items	1984	1985*	1984	1985*	1984	1985*	1984	1985*	1984	1985*
Principal Specialty Burger	$ 1,772	$ 1,851	10.5%	10.1%	1,181	1,194	7.3%	7.1%	$1.50	$1.55
Principal Specialty Burger with Cheese	1,350	1,447	8.0	7.9	818	851	5.1	5.1	1.65	1.70
Hamburger, All Other, Plain	1,553	1,666	9.2	9.1	1,350	1,388	8.4	8.2	1.15	1.20
Cheeseburger, All Other, Plain	1,199	1,282	7.1	7.0	922	950	5.7	5.6	1.30	1.35
Chicken	1,350	1,575	8.0	8.6	628	716	3.9	4.3	2.15	2.20
Fish Sandwich	421	384	2.5	2.1	301	265	1.9	1.6	1.40	1.45
Other Sandwiches	726	805	4.3	4.4	382	413	2.4	2.5	1.90	1.95
Combination Platter	759	770	4.5	4.2	292	285	1.8	1.7	2.60	2.70
French Fries	1,924	2,051	11.4	11.2	2,788	2,849	17.3	16.9	0.69	0.72
Carbonated Beverages	2,397	2,619	14.2	14.3	3,687	3,909	22.8	23.2	0.65	0.67
Milk	51	55	0.3	0.3	119	122	0.7	0.7	0.43	0.45
Coffee	422	494	2.5	2.7	938	988	5.8	5.9	0.45	0.50
Milkshakes	523	476	3.1	2.6	697	595	4.3	3.5	0.75	0.80
Desserts	338	348	2.0	1.9	520	497	3.2	3.0	0.65	0.70
Breakfast Items	2,009	2,361	11.9	12.9	1,435	1,663	8.9	9.9	1.40	1.42
Other Items	84	128	0.5	0.7	91	131	0.5	0.8	0.92	0.98
Totals	$16,878	$18,312	100.0%	100.0%	16,149	16,816	100.0%	100.0%	—	—

Source: *NRN* research

**NRN* estimate

FOCUS NRN

Breakfast holding strong at family restaurants

TOP SELLERS AT FAMILY RESTAURANTS AND COFFEE SHOPS

Menu Items	Average Weekly Dollars per Restaurant		Per Cent of Total Sales		Average Number of Items Sold per Week		Per Cent of Items Sold	
	1984	1985*	1984	1985*	1984	1985*	1984	1985*
Breakfast	$ 5,180	$ 5,533	30.8%	31.0%	2,257	2,326	18.5%	19.4%
Platters/Salads	2,338	2,516	13.9	14.1	837	866	6.9	7.2
Beverages	3,280	3,319	19.5	18.6	6,013	5,667	49.4	47.3
Sandwiches	2,541	2,712	15.1	15.2	1,338	1,360	11.0	11.4
Dinners	2,086	2,285	12.4	12.8	421	443	3.5	3.7
Desserts	672	696	4.0	3.9	584	580	4.8	4.8
Chili/Soup/Side Orders	723	785	4.3	4.4	723	748	5.9	6.2
Totals	$16,820	$17,846	100.0%	100.0%	12,173	11,990	100.0%	100.0%

Source: *NRN* research

**NRN* estimate

BREAKFAST: 31.0% OF 1985 SALES

Menu Items	Average Weekly Dollars per Restaurant		Per Cent of Total Sales		Average Number of Items Sold per Week		Per Cent of Items Sold		Average Menu Prices	
	1984	1985*	1984	1985*	1984	1985*	1984	1985*	1984	1985*
Eggs	$ 798	$ 840	15.4%	15.2%	371	382	16.4%	16.4%	$2.15	$2.20
Omelets	964	1,034	18.6	18.7	305	323	13.5	13.9	3.16	3.20
Baked Goods	290	321	5.6	5.8	382	401	17.0	17.2	0.76	0.80
Pancakes	465	498	9.0	9.0	236	243	10.5	10.5	1.97	2.05
Waffles	88	101	1.7	1.8	42	47	1.9	2.0	2.10	2.15
French Toast	129	132	2.5	2.4	60	60	2.7	2.6	2.15	2.20
Cereals	62	77	1.2	1.4	70	81	3.1	3.5	0.89	0.95
Other	166	166	3.2	3.0	157	138	6.7	5.9	1.10	1.20
Meat Breakfast	794	842	15.3	15.2	209	216	9.3	9.3	3.80	3.90
Combo Breakfast	1,424	1,522	27.5	27.5	425	435	18.9	18.7	3.35	3.50
Totals	$5,180	$5,533	100.0%	100.0%	2,257	2,326	100.0%	100.0%		

Source: *NRN* research

**NRN* estimate

PLATTERS/SALADS: 14.1% OF 1985 SALES

Menu Items	Average Weekly Dollars per Restaurant		Per Cent of Total Sales		Average Number of Items Sold per Week		Per Cent of Items Sold		Average Menu Prices	
	1984	1985*	1984	1985*	1984	1985*	1984	1985*	1984	1985*
Specialty Burger	$ 644	$ 677	27.5%	27.0%	225	232	26.9%	26.8%	$2.86	$2.92
Burger Platter	305	324	13.1	12.9	115	120	13.7	13.9	2.65	2.70
Fish Platter	237	263	10.1	10.4	91	94	10.9	10.8	2.60	2.80
Chicken Platter	194	220	8.4	8.8	67	72	8.0	8.3	2.90	3.05
Chili Platter	105	112	4.5	4.4	55	56	6.6	6.5	1.90	2.00
Diet Platter	366	390	15.6	15.5	120	122	14.3	14.1	3.05	3.20
Chef Salad	417	450	17.8	17.9	139	143	16.6	16.5	3.00	3.15
Other Platters	70	80	3.0	3.1	25	27	3.0	3.1	2.80	2.95
Totals	$2,338	$2,516	100.0%	100.0%	837	866	100.0%	100.0%		

Source: *NRN* research

**NRN* estimate

Despite mounting competition from burger chains, family restaurants are continuing to flex their muscles at breakfast, picking up a larger percentage of overall sales in the morning.

Seafood sales show dramatic increase in 1985

DINNERS: 12.8% OF 1985 SALES

Menu Items	Average Weekly Dollars per Restaurant		Per Cent of Total Sales		Average Number of Items Sold per Week		Per Cent of Items Sold		Average Menu Prices	
	1984	1985*	1984	1985*	1984	1985*	1984	1985*	1984	1985*
Steaks	$ 406	$ 442	19.4%	19.3%	65	68	15.4%	15.3%	$6.25	$6.50
Chicken	416	461	20.0	20.2	90	95	21.4	21.4	4.62	4.85
Chopped Steak	153	165	7.4	7.2	36	38	8.6	8.6	4.25	4.35
Roast Beef, Turkey	307	322	14.7	14.1	62	62	14.7	14.0	4.95	5.20
Shrimp	242	264	11.5	11.6	44	46	10.4	10.4	5.50	5.75
Other Seafood	394	455	18.9	19.9	82	92	19.5	20.8	4.80	4.95
Other Dinners	168	176	8.1	7.7	42	42	10.0	9.5	4.00	4.20
Totals	$2,086	$2,285	100.0%	100.0%	421	443	100.0%	100.0%		

Source: *NRN* research

**NRN* estimate

SANDWICHES: 152% OF 1985 SALES

Menu Items	Average Weekly Dollars per Restaurant		Per Cent of Total Sales		Average Number of Items Sold per Week		Per Cent of Items Sold		Average Menu Prices	
	1984	1985*	1984	1985*	1984	1985*	1984	1985*	1984	1985*
Specialty Burger	$ 512	$ 522	20.2%	19.2%	235	227	17.6%	16.7%	$2.18	$2.30
Plain Burger	409	428	16.1	15.8	273	276	20.4	20.3	1.50	1.55
Cheeseburger	340	365	13.4	13.5	200	203	14.9	15.0	1.70	1.80
Bacon/Lettuce/ Tomato	191	207	7.5	7.6	87	90	6.5	6.6	2.20	2.30
Grilled Cheese	153	163	6.0	6.0	93	93	7.0	6.8	1.65	1.75
Fish	245	279	9.6	10.3	114	124	8.5	9.1	2.15	2.25
Ham	156	163	6.1	6.0	68	68	5.1	5.0	2.30	2.40
Other Sandwiches	470	510	18.5	18.8	200	208	14.9	15.3	2.35	2.45
Frankfurters	65	75	2.6	2.8	68	11	5.1	5.2	0.95	1.05
Totals	$2,541	$2,712	100.0%	100.0%	1,338	1,360	100.0%	100.0%		

Source: *NRN* research

**NRN* estimate

BEVERAGES: 18.6% OF 1985 SALES

Menu Items	Average Weekly Dollars per Restaurant		Per Cent of Total Sales		Average Number of Items Sold per Week		Per Cent of Items Sold		Average Menu Prices	
	1984	1985*	1984	1985*	1984	1985*	1984	1985*	1984	1985*
Coffee	$1,414	$1,468	43.1%	44.2%	2,828	2,669	47.0%	47.1%	$0.50	$0.55
Carbonated Drinks	860	826	26.3	24.9	1,438	1,271	23.9	22.4	0.60	0.65
Milk	328	328	10.0	9.9	596	596	9.9	10.5	0.55	0.55
Juices	321	332	9.8	10.0	458	474	7.6	8.4	0.70	0.70
Tea	108	116	3.3	3.5	216	211	3.6	3.7	0.50	0.55
Iced Tea	144	146	4.4	4.4	288	265	4.8	4.7	0.50	0.55
Hot Chocolate	59	60	1.8	1.8	111	107	1.9	1.9	0.53	0.56
Other Beverages	43	43	1.3	1.3	78	74	1.3	1.3	0.55	0.58
Totals	$3,280	$3,319	100.0%	100.0%	6,013	5,667	100.0%	100.0%		

Source: *NRN* research

**NRN* estimate

Dinner sales as a percentage of overall sales have had a roller coaster ride in the past two years. After a dramatic increase in 1983, the category slipped slightly in 1984 but now shows signs of regaining lost ground.

NRN Index slips 2.4 to 126.4; losers whip gainers 3-1

NEW YORK — As the overall stock market performed poorly, the *Nation's Restaurant News* Food-Service Operators Index dropped 2.4 points in the week ended Aug. 9 to close at 126.4, the third consecutive weekly decline.

The Dow Jones Industrial Average closed at 1,320.79, a 32.26 loss in the week. Analysts said one reason was the fear by investors that the massive refunding of federal Treasury notes and bonds would cause interest rates to rise. Another was a technical factor related to stock-index futures contracts.

On *NRN*'s 116-issue list of food-service and related stocks, there were 73 price decliners and 26 gainers, with 17 unchanged in price. Thirty-nine issues traded at higher volumes than their previous 12-week averages. Seventy-seven traded at lower volumes.

Hungry Tiger was the leading percentage price gainer in the week, up 88¢ to close at $5.63, an 18.4% rise. W. R. Grace said that it planned to acquire the 40-unit chain for stock valued at $23 million *(See page 1)*.

A big percentage-price loser was Flakey Jake's, down $1.50 to close at $4.13, a 26.7% drop. The company said that it lost $3.8 million in the second quarter, ended June 19, compared with a $254,000 loss in the previous year. It also reported that because of the net loss, it was in noncompliance with certain terms of its bank loan agreement.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

El Pollo Asa .... O	197.3	Chili's Inc .... M	114.4
Flakey Jakes .... M	196.6	Hungry Tiger .... M	94.3
Shoney's South .... M	183.7	Jerrico Inc .... M	93.8
Intl Dairy Queen .... O	146.7	Hilton Hotels .... N	85.5
Shoney's Inc .... M	116.9	USACafes .... M	83.7

TOP TEN GAINERS

(Weekly Price Change, in %)

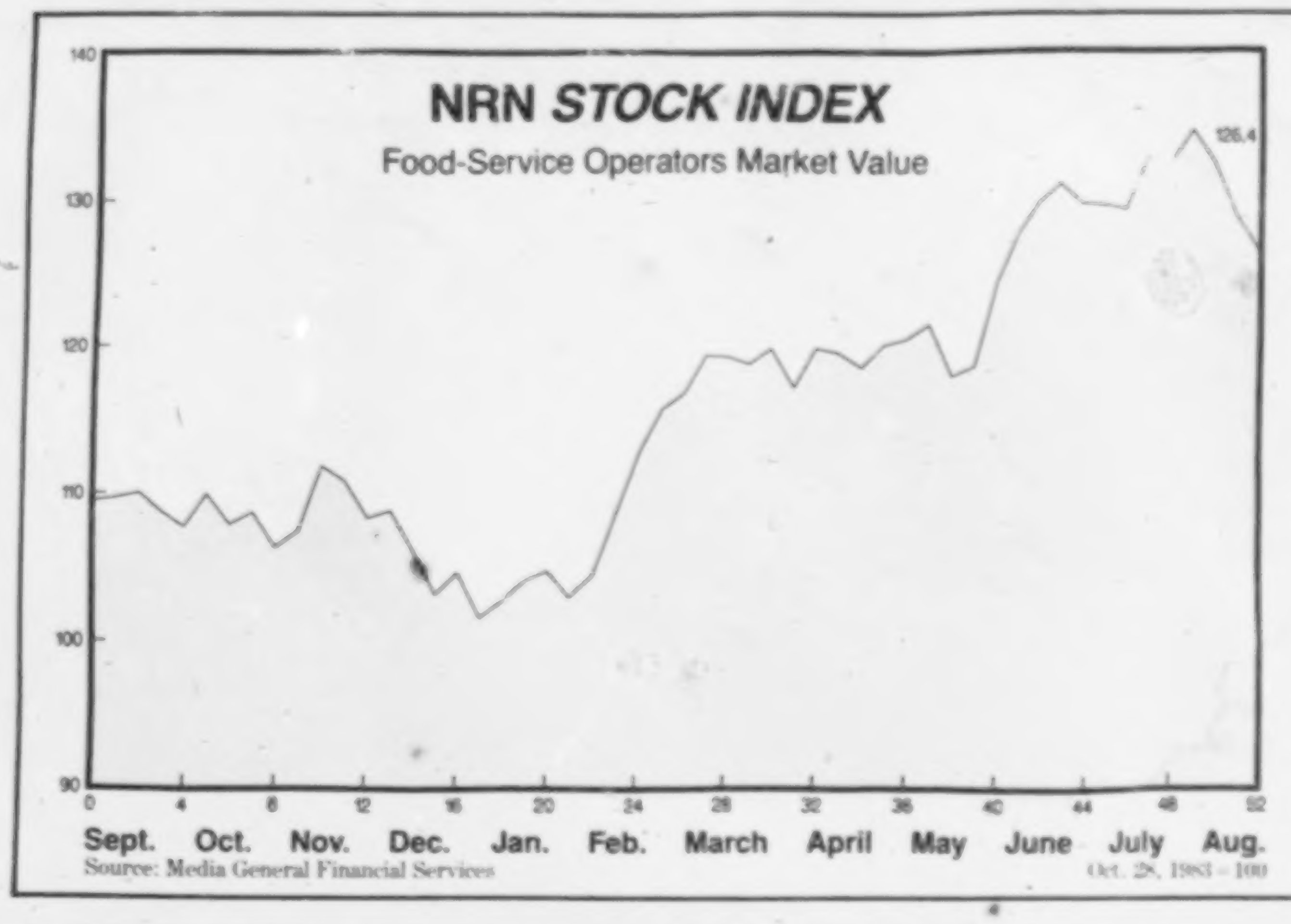
Hungry Tiger .... M	18.4	Dunkin Donuts .... M	6.7
Shoney's South .... M	11.6	TGI Friday's .... N	6.4
Acapulco Rests .... M	11.1	Cracker Barrel .... M	5.9
Fast Food Oper .... O	7.7	1 Potato 2 .... O	5.6
Lifestyle Rest .... A	7.1	Arden Intl .... O	5.6

TOP TEN LOSERS

(Weekly Price Change, in %)

Peo Restaurants .... M	- 33.3	Calibre Cp .... O	- 16.7
Flakey Jakes .... M	- 26.7	Kelly-Johnston .... O	- 16.7
Fresher Cooker .... O	- 25.0	Nathans .... M	- 12.9
Nankin Express .... O	- 21.4	Good Taco .... O	- 12.5
El Pollo Asa .... O	- 18.6	Capt Crab .... M	- 11.1

	Stock Market											Financial Update																	
	Price							Volume																					
													Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	8-09-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs .... M	7.00	.13	1.8	7.13	6.63	7.13	3.50	238	.67	.62	8.1	20.0	.00	.0	.....	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests .... M	5.00	.50	11.1	5.00	4.63	5.38	3.50	113	.46	.37	24.3	38.5	.00	.0	.....	6 mos.	04-85	10.4		.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants .... O	4.00	- .13	- 3.0	4.25	4.00	5.75	2.38	109	.47	.27	74.1	80.0	.00	.0	.....	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts .... M	13.75	- .50	- 3.5	14.13	13.50	17.13	10.75	2,405	5.43	3.41	59.2	21.8	.12	.9		9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl .... M	18.88	- .75	- 3.8	19.75	18.63	21.75	12.38	1,165	4.01	5.41	- 25.9	17.6	.00	.0	.....	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms .... M	22.00	- .75	- 3.3	22.25	21.50	23.50	17.00	530	.33	.78	- 57.7	19.8	.30	1.4	.....	fiscal	04-85	56.7	10.3	4.4	12.8	.27	12.5	227.7	12.9	18.1	12.4	1.11	13.3
Calibre Cp .... O	1.88	- .38	- 16.7	2.13	1.88	5.13	.63	23	.08	.49	- 83.7	NE	.00	.0	.....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food .... M	14.25	- .25	- 1.7	14.25	13.88	15.13	8.13	423	.94	2.93	- 67.9	21.0	.16	1.1	.....	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab .... M	1.50	- .19	- 11.1	1.63	1.44	2.88	1.31	1,673	1.09	.90	21.1	NE	.00	.0	.....	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp .... N	8.00	- .50	- 5.9	8.50	7.88	11.50	7.88	884	1.14	.65	75.4	11.3	.07	.9	.....	fiscal	05-85	37.1	18.9	.7	- 41.7	.09	- 25.0	146.3	20.2	5.5	19.6	.71	4.4
Chefs Intl .... O	.63	- .06	- 9.1	0.69	0.63	1.06	.38	833	.43	.50	- 14.0	NE	.00	.0	.....	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's .... M	11.50	.00	.0	11.63	11.25	17.63	9.38	4,640	1.72	4.34	- 60.4	19.8	.00	.0	.....	fiscal	04-85	56.5	38.5	3.5	- 18.6	.13	- 27.8	205.7	30.2	15.6	- 6.6	.58	- 12.1
Chili's Inc .... M	25.63	- 2.38	- 8.5	27.88	25.25	28.88	18.25	1,806	3.88	1.81	114.4	33.3	.00	.0	.....	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch .... N	16.00	- .75	- 4.5	16.75	15.25	20.25	12.75	8,224	2.18	2.21	- 1.4	13.7	.44	2.8	.....	6 mos.	06-85	139.4	13.5	11.2	- 1.8	.30	3.4	255.7	12.5	19.1	7.9	.51	8.5
Collins Foods .... N	22.63	- .25	- 1.1	23.25	22.25	25.00	13.63	1,337	1.02	1.04	- 1.9	16.4	.16	.7	.....	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev .... M	11.25	- .88	- 7.2	12.25	10.75	16.75	5.75	817	1.58	4.36	- 63.8	NE	.00a	.0	.....	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts .... M	3.63	- .13	- 3.3	3.75	3.50	5.38	3.50	131	.40	.51	- 21.6	11.0	.08	2.2	.....	6 mos.	03-85	18.6	- 4.6	.0	NC	(.02)	NC	33.8	- 3.4	.3	- 25.0	.08	- 20.0
Consul Restaurant .... M	3.38	- .38	- 10.0	3.63	3.38	9.50	3.00	573	1.26	2.74	- 54.0	NE	.00	.0	.....	fiscal	05-85	24.0	50.9	(11.5)	- 100.0	(2.50)	- 100.0	87.0	37.2	(15.2)	- 100.0	(3.32)	- 100.0
Cracker Barrel .... M	13.50	.75	5.9	13.75	12.75	23.50	11.75	150	.42	1.86	- 77.4	18.8	.14	1.0	.....	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc .... O	4.75	.00	.0	5.25	4.75	5.75	2.75	78	.45	.27	66.7	33.9	.00	.0	.....	9 mos.	03-85	1.6	100.0	.1	.0	.04	33.3	4.8	108.7	.2	.0	.11	10.0
Diversifoods .... M	11.25	.00	.0	11.25	11.25	14.63	8.00	188	.06	3.36	- 98.2	27.4	.34	3.0	.....	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer .... M	10.13	- .13	- 1.2	10.38	9.88	15.50	9.00	1,077	2.12	3.00	- 29.3	77.9	.00	.0	.....	fiscal	03-85	4.0	185.7	2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts .... M	24.00	1.50	6.7	24.13	22.25	25.38	14.84	2,570	3.59	2.26	58.8	17.8	.24	1.0	.....	6 mos.	04-85	.7	- 96.8	2.8	16.7	.38	15.2	24.7	- 41.3	5.4	14.9	.74	15.6
El Chico .... M	12.00	- .50	- 4.0	12.50	12.00	12.50	7.25	615	1.32	2.29	- 42.4	14.1	.00	.0		fiscal	05-85	27.7	43.5	1.2	33.3	.27	35.0	89.5	16.2	3.9	8.3	.85	6.3
El Pollo Asa .... O	4.38	- 1.00	- 18.6	5.13	4.38	6.34	1.84	2,503	9.90	3.33	197.3	NE	.00	.0	.....	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest .... N	17.38	.13	.7	17.38	17.13	19.25	10.63	299	.27	1.01	- 73.3	16.1	.00	.0	.....	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest .... M	2.81	- .06	- 2.2	2.88	2.69	4.63	1.63	500	.83	1.35	- 38.5	NE	.00	.0	.....	3 mos.	03-85	16.3	- 4.7	.4	NE	.07	NE	16.3	- 4.7	.4	NE	.07	NE
Fast Food Oper .... O	.88	.06	7.7	0.94	0.81	1.63	.63	137	.23	.61	- 62.3	29.2	.00	.0	.....	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes .... M	4.13	- 1.50	- 26.7	5.50	3.50	8.50	3.50	5,442	7.86	2.65	196.6	NE	.00	.0	.....	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest .... O	2.25	.00	.0	3.00	2.25	7.38	2.25	25	.17	.24	- 29.2	NE	.00	.0	.....	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Fresher Cooker .... O	.38	- .13	- 25.0	0.63	0.38	6.50	.25	232	1.04	1.02	2.0	NE	.00	.0	.....	3 mos.	03-85	.7	- 22.2	(.2)	NE	(.15)	NE	.7	- 22.2	(.2)	NE	(.15)	NE
Frisch's .... A	23.63	.25	1.1	23.75	22.75	26.00	14.50	94	.21	.20	5.0	20.5	.22	.9	.....	fiscal	05-85	32.2	- .6	1.7	- 10.5	.39	- 7.1	129.0	4.0	5.0	2.0	1.15	3.6
Fuddruckers Inc .... M	7.88	.25	3.3	8.00	7.25	15.13	6.00	1,753	2.69	3.46	- 22.3	NM	.00	.0	.....	3 mos.	03-85	10.1	146.3	.1	NE	.02	NE	10.1	146.3	.1	NE	.02	NE
Good Taco .... O	.44	- .06	- 12.5	0.50	0.44	3.13	.25	292	.98	1.28	- 23.4	NE	.00	.0	.....	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet .... O	14.50	.00	.0	15.25	14.50	15.25	10.50	19	.26	.56	- 53.6	7.4	.00	.0	.....	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger .... M	5.63	.88	18.4	5.63	4.75	6.25	3.63	898	3.09	1.59	94.3	NE	.00	.0	.....	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen .... O	60.00	- 5.00	- 7.7	64.00	59.50	65.00	39.00	73	.37	.15	146.7	14.7	.00	.0	.....	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab .... M	19.50	- .25	- 1.3	19.75	19.50	24.75	15.25	186	.65	1.99	- 67.3	12.8	.00a	.0		fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB's Rest .... M	14.13	.63	4.6	14.13	13.25	15.50	9.09	1,895	4.10	4.93	- 16.8	74.3	.16	1.1		9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc .... M	19.25	- .88	- 4.3	20.25	19.25	21.63	14.25	8,361	5.29	2.73	93.8	13.7	.12	.6	.....	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp .... A	3.88	.13	3.3	3.88	3.63	4.38	1.13	119	.49	1.86	- 73.7	4.2	.00	.0	.....	6 mos.	03-85	5.6	- 12.5	(.1)	NE	(.06)	NE	10.8	- .9	3.8	NE	1.61	NE
Karcher Carl .... M	15.25	- .63	- 3.9	15.75	15.25	29.13	13.50	526	.74	1.99	- 62.8	13.7	.00	.0	.....	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Kelly-Johnston .... O	.31	- .06	- 16.7	0.38	0.31	5.00	.25	400	.47	1.09	- 56.9	NE	.00	.0	.....	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest .... A	1.88	.13	7.1	1.88	1.75	3.50	1.63	124	.22	.35	- 37.1	NE	.00	.0	.....	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.29)	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe .... N	33.13	- 1.00	- 2.9	34.38	32.00	37.38	26.38	423	.35	.44	- 20.5	21.4	.60	1.8	.....	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp .... M	17.75	- .75	- 4.1	18.25	17.75	19.13	13.88	67	.13	.31	- 58.1	11.1	.30	1.7		fiscal	05-85	40.9	3.5	2.6	13.0	.50	13.6	131.8	4.0	8.2	10.8	1.60	11.1
Marriott Corp .... N	94.88	- 1.63	- 1.7	96.38	93.75	100.00	70.00	679	.26	.61	- 57.4	16.6	.54	.6	.....	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest .... M	2.75	- .25	- 8.3	2.88	2.75	6.25	2.25	62	.12	.17	- 29.4	91.7	.00	.0	.....	3 mos.	04-85	3.1	29.2	.0	- 100.0	.00	- 100.0	3.1	29.2	.0	- 100.0	.00	- 100.0
Max & Erma's .... O	2.63	- .13	- 4.5	3.25	2.63	4.75	2.50	33	.18	.19	- 5.3	NE	.00	.0	.....	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp .... N	65.25	- .88	- 1.3	66.38	64.50	70.00	43.50	7,783	.91	1.03	- 11.7	14.1	.90	1.4	.....	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures .... M	11.00	- .25	- 2.2	11.25	11.00	12.25	9.75	218	.45	.70	- 35.7	13.6	.00	.0	.....	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc .... M	20.00	- 1.00	- 4.8	20.13	20.00	21.88	15.50	1,404	1.06	1.45	- 26.9	13.1	.48	2.4	.....	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak .... O	1.88	.00	.0	2.00	1.88	3.13	1.13	115	.24	.76	- 68.4	NE	.00	.0	.....	6 mos.	03-85	.9	- 94.8	(.2)	NC	(.05)	NC	14.8	- 54.7	(.1)	NC	(.03)	- 100.0
Nankin Express .... O	.69	- .19	- 21.4	1.00	0.69	2.38	.63	196	.87	.89	- 2.2	NE	.00	.0	.....	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans .... M	3.38	- .50	- 12.9	3.63	3.38	4.50	2.00	79	.35	.43	- 18.6	10.5	.05	1.5	.....	fiscal	03-85	4.5	9.8	(.2)	NE	(.07)	NE	21.7	8.5	.7	75.0	.32	68.4
Natl Pizza .... M	12.38	.00	.0	12.88	12.38	12.88	7.50	270	.49	.85	- 42.4	16.7	.00	.0	.....	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc .... M	5.25	- .25	- 4.5	5.75	5.25	9.75	4.50	1,556	3.43	1.94	76.8	NE	.00	.0	.....	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman .... O	7.50	- .25	- 3.2	8.00	7.50	8.50	5.94	23	.19	.46	- 58.7	44.1	.00	.0	.....	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	- 100.0	4.7	4.4	(.1)	NC	(.11)	- 100.0
1 Potato 2 .... O	1.19	.06	5.6	1.50	1.13	7.50	.50	26	.12	.61	- 80.3	NE	.00	.0	.....	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd .... O	4.50	- .25	- 5.3	5.00	4.50	5.25	4.00	95	.68	.67	1.5	7.1	.00	.0	.....	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet .... M	7.88	- .38	- 4.5	8.13	7.75	8.38	6.00	1,167	3.14	2.75	14.2	14.1	.13	1.7	.....	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants .... M	.13	- .06	- 33.3	0.19	0.13	1.63	.13	1,094	1.27	1.81	- 29.8	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf .... M	22.25	.00	.0	22.25	21.88	24.25	16.50	516	.85	.88	- 3.4	14.1	.60	2.7	.....	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4

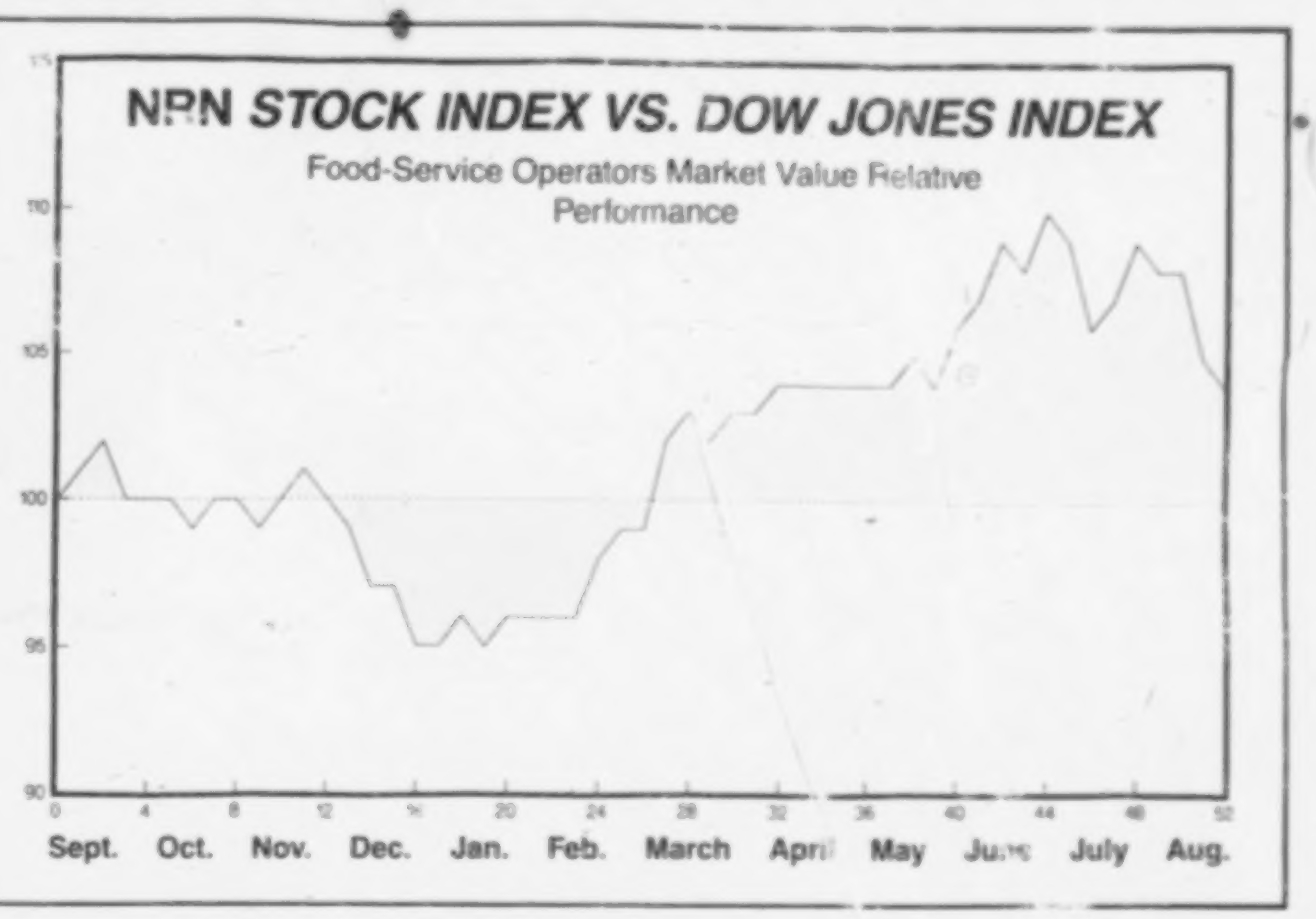


NRN *STOCK INDEX*

Food-Service Operators Market Value

Source: Media General Financial Services

Oct. 28, 1983 = 100



NRN *STOCK INDEX VS. DOW JONES INDEX*

Food-Service Operators Market Value Relative Performance

Stock Market

Company and Market	Price: 8-09-85 Close	Weekly Change Amt.	Weekly Change Pct.	Weekly Range High	Weekly Range Low	52-Week Range High	52-Week Range Low	Volume: Weekly Shares Traded Total	Weekly Shares Traded % Out	12-Week Avg. Vol. As % Out	Volume Trend Change
-	$	$	%	$	$	$	$	(100)	%	%	%
Pizza Inn A	7.88	- .25	- 3.1	8.00	7.63	12.75	6.88	74	.24	.88	- 72.7
Po-Folks M	13.25	- .88	- 6.2	13.88	13.00	16.13	8.75	453	1.02	1.22	- 16.4
Ponderosa Sys N	11.88	- .38	- 3.1	12.25	11.50	21.00	10.75	710	.74	2.17	- 65.9
Primo Inc O	2.13	- .13	- 5.6	2.38	2.13	4.63	1.50	146	.43	.79	- 45.6
RAX Restaurants M	7.50	- .50	- 6.3	7.75	7.25	16.38	7.25	555	.81	.74	9.5
Rest Assoc A	8.38	- .50	- 5.6	9.00	8.25	9.25	5.38	363	1.29	.76	69.7
Rest Mgmt M	18.75	- .50	- 2.6	19.25	18.75	20.00	9.00	394	2.48	1.70	45.9
Rest Systems M	15.38	- .13	- .8	16.00	15.25	16.50	11.75	106	.46	1.03	- 55.3
Ritzys G D M	2.13	- .13	- 5.6	2.25	2.00	5.75	1.75	413	.80	.87	- 8.0
Rusty Pelican M	16.75	.13	.8	16.75	16.63	18.25	11.00	205	.73	.44	65.9
Ryan's Fam M	17.13	- .88	- 4.9	18.00	17.00	19.25	11.34	181	.26	1.15	- 77.4
Saga Corp N	26.13	- .63	- 2.3	27.25	25.50	35.00	24.50	1,894	1.45	1.57	- 7.6
Sandwich Chef M	8.25	- .38	- 4.3	8.38	8.25	9.00	6.88	27	.21	.71	- 70.4
Sea Galley M	6.63	- .75	- 10.2	7.00	6.50	9.50	6.50	1,567	4.93	2.71	81.9
Shoney's Inc M	27.50	1.13	4.3	27.75	25.38	31.88	21.94	7,645	2.69	1.24	116.9
Shoney's South M	12.00	1.25	11.6	12.13	10.63	16.59	10.00	2,929	5.22	1.84	183.7
SIS Cp O	4.25	.00	.0	5.00	4.25	6.00	3.25	72	.46	.31	48.4
Sizzler Rest Intl M	15.75	- .75	- 4.5	16.25	15.25	17.75	9.16	912	.89	.91	- 2.2
Skippers M	9.50	.13	1.3	9.50	9.25	12.50	9.00	133	.49	1.19	- 58.8
So Hospitality M	4.63	- .25	- 5.1	4.88	4.63	5.88	4.00	301	.60	2.52	- 76.2
Stuff Yer Face O	.69	- .06	- 8.3	0.75	0.69	1.44	.50	380	.25	.35	- 28.6
Swensens Inc O	2.13	- .13	- 5.6	2.38	2.13	3.50	1.50	81	.15	.28	- 46.4
Taco Villa O	5.75	.00	.0	6.50	5.75	7.75	4.75	136	.35	.21	66.7
Taco Viva M	5.13	- .38	- 6.8	5.50	5.13	7.50	4.84	455	1.33	1.24	7.3
TGI Friday's N	10.38	.63	6.4	10.50	9.50	12.38	7.88	1,024	.89	.84	6.0
TGIF Texas O	2.00	.00	.0	2.50	2.00	2.38	2.00	5	.03	.09	- 66.7
TCBY Entrprs M	19.63	.00	.0	20.50	18.75	21.50	2.44	862	1.98	3.40	- 41.8
Transworld N	38.88	1.50	4.0	38.88	35.88	41.13	28.00	5,587	1.57	1.93	- 18.7
USACafes M	5.50	.13	2.3	5.63	5.13	6.00	2.75	3,037	4.83	2.63	83.7
Vicorp Restaurants M	23.63	- 2.13	- 8.3	25.63	23.00	26.25	13.25	2,527	3.00	3.89	- 22.9
Victoria Stations M	3.13	.13	4.2	3.13	2.88	6.50	2.13	1,263	2.78	2.23	24.7
Wendys Intl N	17.13	- .38	- 2.1	17.38	16.75	19.13	12.19	8,912	1.21	1.38	- 12.3
Wstn Steer M	11.13	- .88	- 7.3	12.00	10.50	12.00	9.00	53	.44	.33	33.3
Winners Cp N	6.25	.13	2.0	6.38	6.13	11.88	5.13	406	1.01	.86	17.4
Hotels, Motels, and Casinos											
Brock Hotel Cp N	2.50	.00	.0	2.63	2.50	5.13	1.88	709	.50	.84	- 40.5
Hilton Hotels N	60.88	- 3.00	- 4.7	63.63	59.00	73.50	49.38	3,168	1.28	.69	85.5
Holiday Cp N	52.88	- .63	- 1.2	53.75	52.00	58.13	35.25	3,239	1.19	1.30	- 8.5
Prime Mtr Inn N	33.00	- 1.63	- 4.7	34.50	31.63	35.13	16.13	1,650	.86	1.05	- 18.1
Ramada Inns N	7.63	.25	3.4	7.88	6.88	8.25	5.13	9,588	2.58	2.00	29.0
Servico Inc O	20.00	.00	.0	20.75	20.00	21.38	13.44	32	.08	.52	- 84.6
Sonesta Intl O	22.50	.00	.0	25.00	22.50	27.00	18.50	6	.04	.05	- 20.0
Other Companies with Food-Service Operations											
Allegheny Bev M	18.63	- .63	- 3.2	19.38	18.25	22.63	15.25	439	.73	1.58	- 53.8
Ch Full O Nut N	8.00	- .50	- 5.9	8.63	8.00	11.41	7.03	200	.41	.54	- 24.1
Disney, Walt N	89.13	- 1.50	- 1.7	90.88	88.75	95.00	53.63	5,266	1.59	1.99	- 20.1
Arden Intl O	2.38	.13	5.6	2.50	2.38	2.75	1.13	191	.81	.65	24.6
Gen Mills N	56.13	- .75	- 1.3	56.88	55.63	64.00	47.75	2,721	.61	1.50	- 59.3
Grace W R N	43.63	.88	2.0	45.00	42.63	45.00	38.50	8,422	1.74	1.00	74.0
Horn & Hardart A	8.50	.00	.0	8.63	7.88	14.88	7.88	961	.78	1.13	- 31.0
Ogden Corp N	32.38	1.25	4.0	33.00	30.88	34.25	24.13	1,019	.54	1.01	- 46.5
PepsiCo Inc N	57.38	- .50	- .9	58.00	56.38	60.50	39.88	11,590	1.23	1.93	- 36.3
Pillsbury Co N	50.88	- .50	- 1.0	52.00	50.63	56.63	36.63	4,001	.92	.91	1.1
Restec O	3.50	- .25	- 6.7	4.00	3.50	4.50	3.50	5	.03	.09	- 66.7
Vie de France M	10.63	.00	.0	10.63	10.50	15.25	8.13	338	.31	1.54	- 79.9

Financial Update

Company and Market	P/E Ratio	Indicated Divd. Rate Amt.	Indicated Divd. Rate Yld.	Latest Report: New Report	Period	Date Ended	Latest Quarter: Revenue Amt.	Revenue Chg	Net Income Amt.	Net Income Chg.	E.P.S. Amt.	E.P.S. Chg	Year-to-Date: Revenue Amt.	Revenue Chg	Net Income Amt.	Net Income Chg.	E.P.S. Amt.	E.P.S. Chg.
-	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	26.3	.08	1.0		3 mos.	03-85	47.7	24.2	.1	- 87.5	.04	- 84.6	47.7	24.2	.1	- 87.5	.04	- 84.6
Po-Folks M	17.2	.00	.0	—	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys N	26.4	.40	3.4	—	3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc O	NE	.00	.0	—	6 mos.	03-85	.8	- 20.0	[illegible]	[illegible]	[illegible]	.0	1.2	[illegible]	.2	.0	.07	16.7
RAX Restaurants M	NE	.00	.0		9 mos.	04-85	81.4	23.3	(.1)	- 100.0	(.21)	[illegible]	[illegible]	23.3	(.1)	- 100.0	(.01)	[illegible]
Rest Assoc A	19.5	.00	.0	—	3 mos.	03-85	33.2	10.7	(.3)	NC	(.12)	NC	33.2	[illegible]	[illegible]	NC	(.12)	NC
Rest Mgmt M	19.7	.09	.5	—	6 mos.	04-85	8.3	25.8	.5	66.7	.24	14.3	18.2	37.9	1.0	42.9	.52	20.9
Rest Systems M	16.9	.00	.0	—	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D M	NE	.00	.0	—	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican M	22.6	.00	.0	—	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam M	28.1	.00	.0	—	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp N	12.0	.52	2.0		fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef M	14.5	.00	.0	—	9 mos.	03-85	7.2	9.1	.2	.0	.13	- 23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	3.5	.00	.0	—	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc M	23.1	.15	.5	—	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South M	11.3	.00	.0	—	3 mos.	03-85	50.3	8.2	.9	- 52.6	.15	- 55.9	50.3	8.2	.9	- 52.6	.15	- 55.9
SIS Cp O	NE	.00	.0	—	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	16.2	.00	.0	—	fiscal	04-85	42.6	13.0	2.9	16.0	.28	18.7	159.5	11.9	9.9	23.8	.97	24.4
Skippers M	10.3	.06	.6	—	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality M	13.2	.00	.0	—	fiscal	05-85	9.4	- 6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face O	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc O	NE	.00	.0	—	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa O	19.8	.00	.0	—	3 mos.	03-85	8.8	22.2	.3	.0	.07	- 12.5	8.8	22.2	.3	.0	.07	- 12.5
Taco Viva M	15.1	.00	.0	—	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	15.0	.00	.0	—	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas O	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs M	54.5	.00	.0	—	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld N	12.9	.48	1.2	—	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	4.3	47.1	- 4.3	1.19	- 9.8
USACafes M	15.7	.28	5.1	—	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants M	19.7	.12	.5	—	6 mos.	04-85	85.8	61.0	1.4	- 30.0	.17	- 43.3	192.5	121.3	2.8	- 9.7	.34	- 26.1
Victoria Stations M	NE	.00	.0	—	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl N	17.1	.21	1.2		6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer M	18.2	.20	1.8	—	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp N	NM	.00	.0		6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																		
Brock Hotel Cp N	NE	.10	4.0		6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels N	12.8	1.80	3.0	—	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp N	12.6	1.00	1.9		6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn N	29.2	.09	.3	—	9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns N	95.3	.00	.0	—	3 mos.	03-85	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0	137.5	- 4.3	(1.6)	- 100.0	(.04)	- 100.0
Servico Inc O	13.9	.00a	.0	—	3 mos.	03-85	42.0	- 2.1	.1	- 88.9	.04	- 83.3	42.0	- 2.1	.1	- 88.9	.04	- 83.3
Sonesta Intl O	7.6	.40	1.8	—	3 mos.	03-85	12.0	- 13.7	(2.1)	NE	(1.85)	NE	12.0	- 13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																		
Allegheny Bev M	18.4	.40	2.1	—	9 mos.	12-84	NC	NC	(2.3)	- 100.0	(.37)	- 100.0	368.4	35.4	4.7	- 48.9	.75	- 49.3
Ch Full O Nut N	NM	.00a	.0	—	9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 66.7	87.1	.2	.4	- 60.0	.09	- 57.1
Disney, Walt N	50.4	1.20	1.3	—	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Arden Intl O	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Gen Mills N	33.2	2.24	4.0	—	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R N	12.6	2.80	6.4	—	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart A	16.3	.00a	.0	—	3 mos.	03-85	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0	82.3	- 4.7	.0	- 100.0	(.01)	- 100.0
Ogden Corp N	15.6	1.80	5.6	—	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc N	10.4	1.78	3.1		6 mos.	06-85	1880.8	- .3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co N	12.1	1.56	3.1	—	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	- 17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec O	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Vie de France M	18.0	.23	2.2	—	9 mos.	03-85	18.8	16.8	1.5	- 11.8	.15	- 11.8	48.5	20.3	4.5	9.8	.42	2.4

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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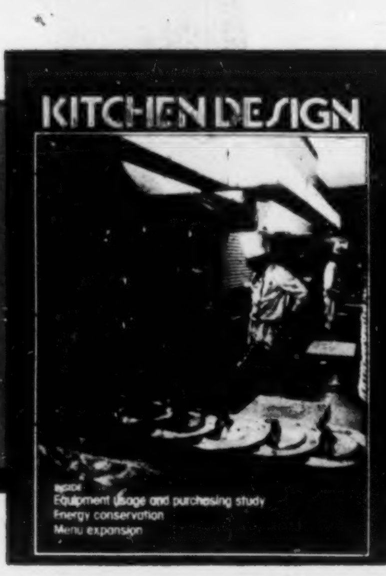

July sales remain soft

Up only 4.5%/Page 3

The lifeblood of America

Bernstein/Page 9

Nation's Restaurant News®

The Weekly Newspaper of the Food-Service Industry

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For Marriott, an era ends

Pioneer founder dies at age 84

By Peter Romeo

WASHINGTON — With the death of J. Willard ("Bill") Marriott Sr. at age 84, the $3.4 billion hospitality company that bears his name is without its founder, guiding force and preeminent sage for the first time since it began as an A&W franchisee in 1927.

Although Marriott stepped back from Marriott Corp.'s day-to-day operations in 1964, handing the reins to his son Bill Jr., executives of the company said the elder Marriott's influence at the time of his death went beyond serving as the conglomerate's chairman of the board.

Marriott, for instance, mistrusted franchising the company's diverse restaurant and hotel brands because he feared a loss of quality control.

The company's newest endeavor,

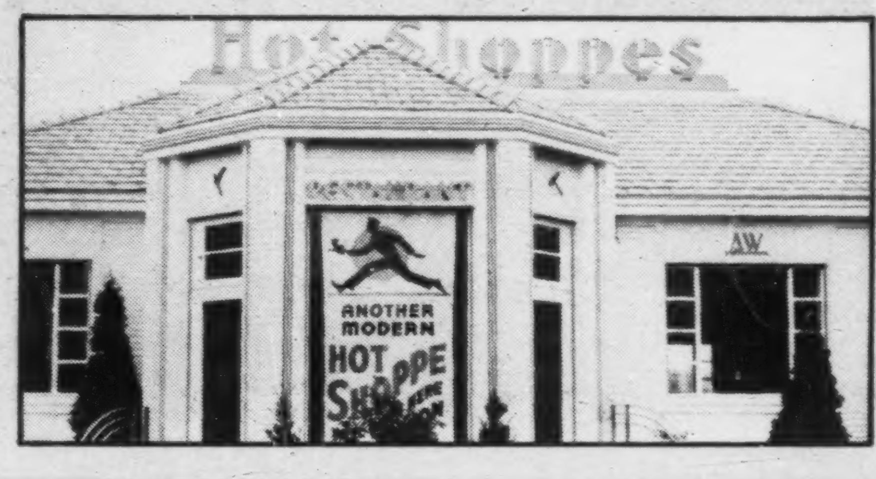
(See **MARRIOTT**, page 43)

THE EMPIRE THAT MARRIOTT BUILT

(Marriott Corp. at a Glance, Projections for Current Fiscal Year)

Business	No. of Units (Chainwide)	Food-Service Sales Per Unit (In Millions)	Systemwide Food-Service Sales (In Millions)
Contract Feeding	1,400	$1.10	$1,550.0
Restaurants			
Big Boy	1,018	1.20	1,210.0
Roy Rogers	575	0.85	545.0
Hotels	143	5.20	744.0
Total			$3,392.0

Source: *NRN* research



J. Willard Marriott, above, took a single Hot Shoppe outlet and built it into a $3.4 billion restaurant, hotel and contract-feeding conglomerate.

FDA bows to pressure over sulfites

Agency proposes ban on six preservatives

By Paul Frumkin

The Food and Drug Administration has proposed a ban on the use of six sulfite preservatives in fresh fruits and vegetables, bowing to pressure from Congress, the food-service industry and consumer groups.

The proposal, which applies to both restaurants and food markets, will be reviewed again early next month.

If the ban is implemented, restaurateurs—many of whom have already discontinued the use of sulfites in their own operations—will be guaranteed that suppliers have not added the preservative to fresh produce.

(See **FDA**, page 4)

Wendy's-K mart test may lead to franchising deal

By David Zuckerman

DUBLIN, Ohio — Stepping up development of nontraditional sites, Wendy's has reached agreement with Troy, Mich.-based K mart—the world's second leading retailer behind Sears—to open a fast-food hamburger unit inside K mart's Canton, Mich., department store, according to sources at both companies.

The move follows in-store feeding trials by such chains as Burger King (with New York City-based Woolworth's), Hardee's (with Alexandria, Va.-based Peoples Drug Stores) and Roy Rogers (with York, Pa.-based McCrory Stores).

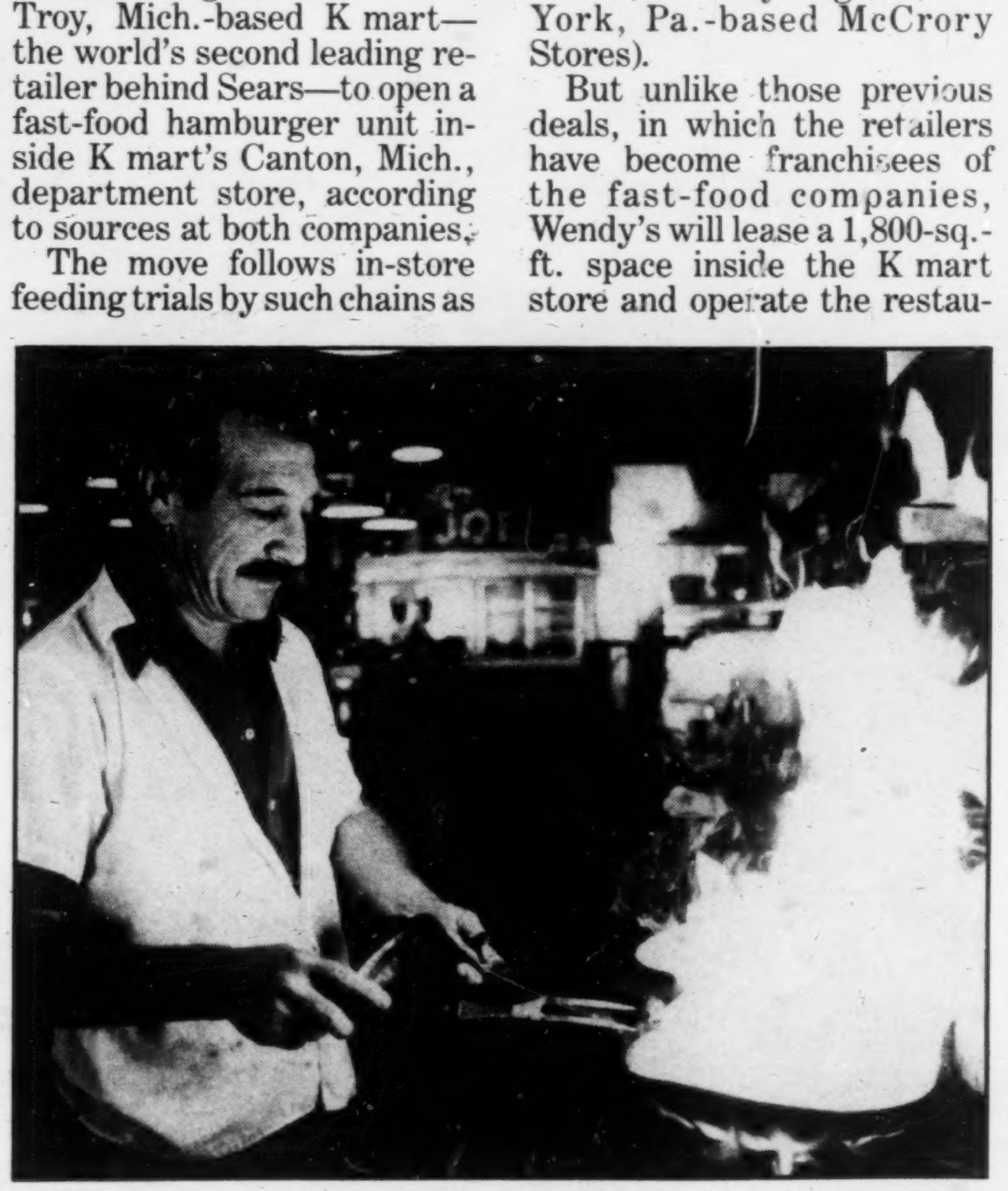
But unlike those previous deals, in which the retailers have become franchisees of the fast-food companies, Wendy's will lease a 1,800-sq.-ft. space inside the K mart store and operate the restaurant itself. Wendy's will also be responsible for all construction costs, an estimated $200,000.

"The nature of this deal is that Wendy's is the tenant and K mart the landlord," said Denny Lynch, Wendy's vice president of corporate communications. "There's no question that everybody is looking for special sites these days, and in our search we seek three basic criteria: where people work, where people live and where they play. The K mart site will fulfill all three."

In recent months Wendy's has expanded its horizons by opening units at the Columbus Zoo—the first fast-food restaurant inside a U.S. zoo, ac-

(See **WENDY'S**, page 43)

Wendy's will lease space inside K mart's Canton, Mich., store and operate the restaurant itself.



Little Joe's owner Franco Montarello Sr. at the burners.

Little Joe's setting sales afire

Big portions, small checks build $2.5M annual volume

By Alan Liddle

SAN FRANCISCO — Olive oil cascades from imported tins into a line of skillets. Generous quantities of wine usually follow. And then the fireworks begin as the gas-fueled flames from five banks of burners climb the sides of the pans, momentarily form a halo over the sautéeing meats and vegetables and then explode skyward.

Disaster? No. Just part of the show at Little Joe's, a 120-seat Italian restaurant nestled between two strip joints on Broadway in this city's North Beach area. The only thing louder than the sizzling skillets is the multiethnic chatter of the numerous line cooks.

A part of this city's dining scene since the 1920's, Little Joe's and Baby Joe's—the name given the dining room that was added in the 1970's—have been owned by Franco Montarello for 15 years. His son, Franco Jr., is a part owner.

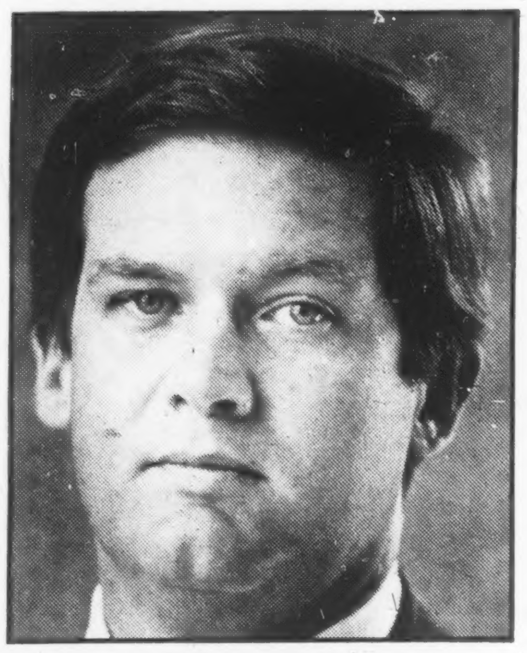
Montarello Sr., a 52-year-old immigrant from Genoa, Italy, said his no-frills establishment, which averages 1,000 customers a day, generates about $2.5 million in sales annually.

Big portions, relatively small checks (the per-person average is $6 at lunch and $10 to $12 at dinner), friendly waitresses clad in T-shirts proclaiming, "Rain or shine, there's always a line" and the entertaining cooks combine to attract a broad base of customers. Strippers and judges often sit in close proximity in the dining room or wait side by side for one of the dozen much-sought-after counter stools in front of the cooks' stations.

Nearly all dishes are sautéed in the one-skillet "Joe" style, so named after a restaurateur

(See **LITTLE JOE'S**, page 43)

Mrs. Winner's tests new image at one of its units



M. V. "Buck" Hussung
President, Mrs. Winner's

By Mark Schoifet

NASHVILLE — Mrs. Winner's, stung by a decline in comparable sales this year, has launched a one-unit pilot program featuring revamped seating, a self-serve fountain section, a video camera to improve drive-thru service and a simplified menu board.

The 68-seat restaurant, located along Interstate 65 North here, is called Mrs. Winner's Family Restaurant instead of Mrs. Winner's Chicken & Biscuits. The 193-unit chain is testing the new name in an attempt to "broaden the image of the concept," according to president M. V. "Buck" Hussung.

The pilot program comes at a time when Mrs. Winner's may see some light at the end of its tunnel of financial woes. After a year of sales declines from the comparable year-earlier quarters, the chain is beginning to show gains, Hussung said.

In addition, August sales are up 15% to 20% over those of last month, and a new baked chicken breast is racking up 30% of unit sales.

For the second quarter ended June 30, Winners Corp., parent of Mrs. Winner's, posted a 72% drop in net profit, to $222,000, as revenue declined slightly to $28.3 million. In the first quarter, Winners Corp. reported a $633,000 loss.

Hussung emphasized that the pilot program is not a reaction to the chain's recent earnings slide, but rather a part of Mrs. Winner's 18-month operating plan, which was launched last year and designed in part to create more innovative customer service programs.

"We're still dealing with long-term issues," Hussung said, "and we're not getting ourselves caught up in this quarterly earnings thing by sacrificing future growth."

Among the programs under study at the test unit are the following:

- A revamped interior arrangement that features irregular seat patterns and, for the first time, booth and bench seating. "There's a little more elbow room," Hussing said. That test stands a high chance of being rolled out systemwide, he added.

Other features in the interior test include a self-service fountain drink section, a repositioned cash register that allows the employee behind it to greet customers entering the restaurant and a simplified menu board. It lists the higher ticket items at the top in an effort to boost check averages as well as prices for several combination meals, Hussung said.

- Improved drive-thru service that employs an outdoor remote video camera and an improved audio system. "They [servers] can immediately see if there are other people in the car or if there are any children in there," Hussung said. Other drive-thru features include a raised platform so cars are at an even level with the cashier and a glass window that allows drivers to view the kitchen employees.

"They're all subtle changes," Hussung said, "but it's the little things that add up in this business. It's not always the major things."

Winners Corp. operates or franchises 193 Mrs. Winner's units in 17 states.

Food-service sales soften in July

U.S. Commerce Department reports rise of only 4.9%

By Rick Telberg

WASHINGTON — Sales at the nation's eating and drinking places weakened further in July, rising a lame 4.9% from the year-ago level, to $11.6 billion, the U.S. Commerce Department said in its earliest and broadest gauge of retail trade.

The feeblest showing in five months was another signal of a troubled economy, said analysts, who also suggested the figure could be revised upward in coming months.

"It confirms the general sluggishness in traffic counts," said Joseph Doyle, who monitors the restaurant industry for Smith Barney, Harris Upham & Co. in New York. "If the economy doesn't bounce back, there's no reason why the recent trends should change."

In addition, the government slashed its earlier estimates for May and June. June sales grew at a revised rate of 6.3%, down from the month-earlier estimate of 7.8%. And May's second revision was reduced to 7.8%, down from a 9.7% estimate.

"The revisions make the picture altogether gloomier," said Sandra Shaber, director of consumer economics at Chase Econometrics in Bala Cynwyd, Pa.

"It is clear that consumers have very real concerns about the future of the economy," Shaber said, citing a slack job market and slowed growth in consumer incomes. But she said a recession this year was unlikely.

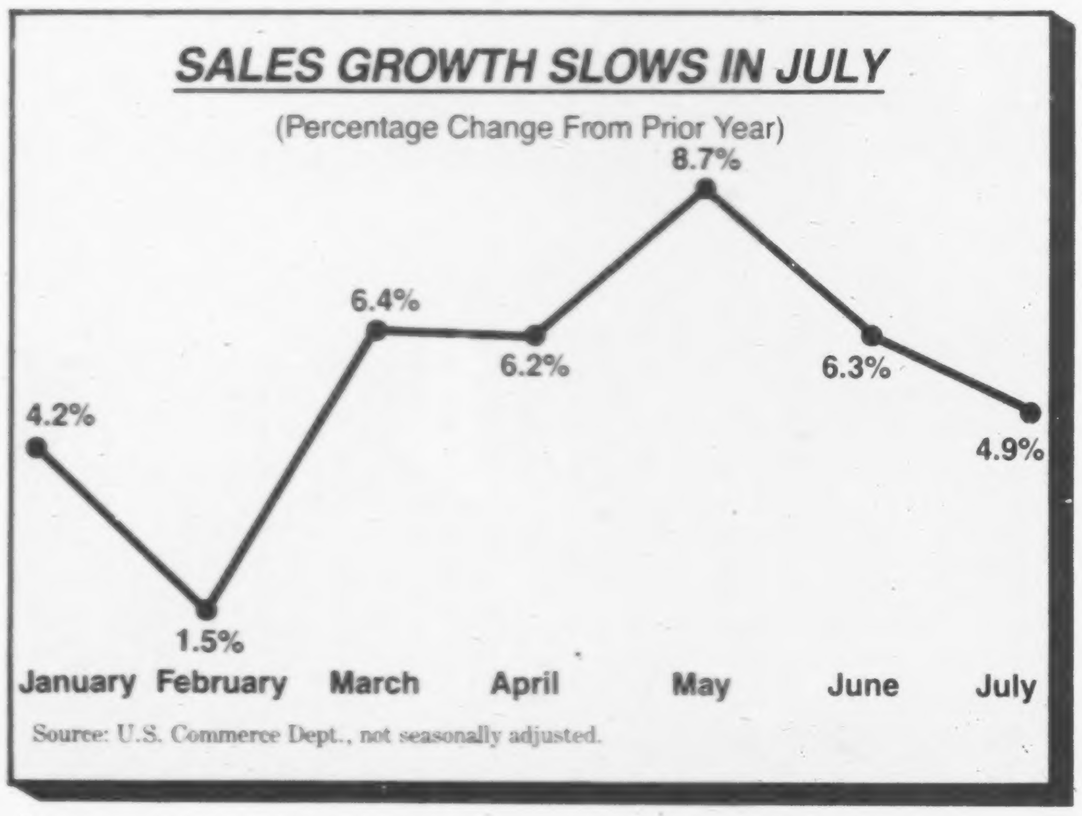
Bette Hoyt, research manager at the National Restaurant Association in Washington, said the July estimate was too pessimistic.

"Vacation travel has been strong this summer," Hoyt said. "And that's generally good for restaurants."

July was the food-service industry's feeblest monthly performance since February's winter-struck 1.5% year-to-year growth rate, according to the Commerce Department's Advance Monthly Retail Trade report issued by the Census Bureau.

The figures are not adjusted for seasonal differences or for inflation. The Labor Department has said menu-price inflation rose at an annual rate of 4.1% in June, up from a 3.8% rate in May after holding steady at 3.9% since January.

Adjusted for seasonal differences, eating and drinking place sales fell eight-tenths of a per cent from June to July.



Source: U.S. Commerce Dept., not seasonally adjusted.

KFC, 7-Eleven switch to Coke Classic

ATLANTA — Kentucky Fried Chicken and 7-Eleven are switching to Coke Classic, but most of the Coca-Cola Co.'s larger fountain customers are apparently sticking to the new, reformulated version of the soft drink.

Coca-Cola is advising its fountain clients to keep the new Coke, rather than switch to Coke Classic, the old formula marketed under a new name. The soft drink giant generates about one-third of its Coke sales through food-service fountains.

Several chain executives said consumer response to the Coke-Coke Classic controversy has been minimal.

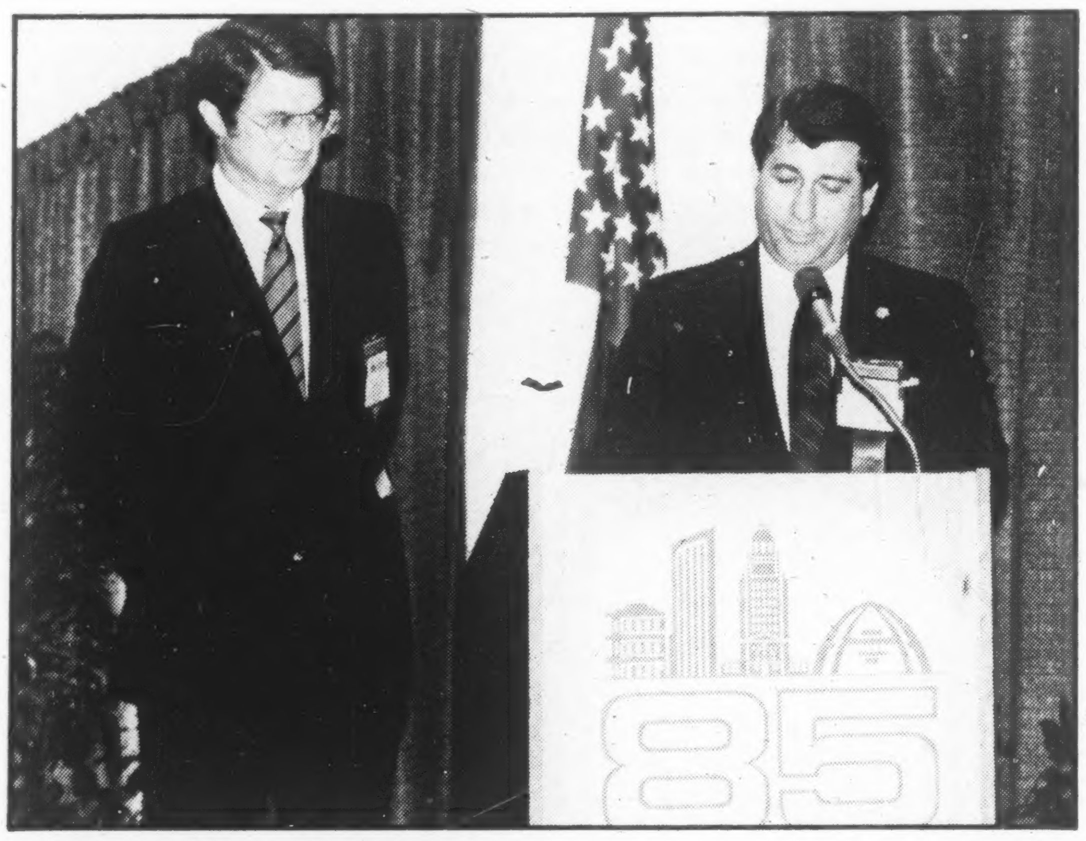
"It hasn't been nearly as significant as the great debate that went on in the press," said John Merritt, spokesman for the 3,360-unit Hardee's chain.

Hardee's, McDonald's, Church's, Red Lobster, Roy Rogers and Rax have made no plans to drop the new Coke in favor of Coke Classic, which was rolled out in July to placate consumers riled by the drink's April reformulation. McDonald's is the largest retail user of Coke in the world. Earlier this year, the burger chain declined to roll out new Cherry Coke, which was seen by many as a blow to Coca-Cola.

KFC is dumping new Coke at its 1,200 company-owned units in favor of the old brand because "it's more appropriate with our Original Recipe chicken," according to spokesman Billie Brown. Franchisees can select their own brands.

The 7-Eleven chain, which sells Coke in a majority of its 7,500 convenience stores, is also rolling out Coke Classic in response to "preferences expressed by customers," a spokesman said. "It's going to be six weeks to two months before Coke Classic is available at the fountain heads," the spokesman said.

On July 10, Coca-Cola shocked the marketing world when it yielded to public pressure and brought back the original Coke formula it had scrapped three months earlier.



NRA president Ted Balestreri, at podium, is joined by CRA president W. W. "Biff" Naylor during the opening ceremony.

Leaders assail meal cap at California convention

By Richard Martin

LOS ANGELES — Industry leaders used the California Restaurant Association's annual Western Restaurant Convention here as a platform to reaffirm their "no compromise" opposition to the Treasury Department's proposed $25 business-meal deduction cap, part of tax legislation awaiting revision next month in Congress.

But the veteran political analyst whose keynote address opened the convention politely undermined his host's position by ridiculing the concept of a deficit-strapped federal government subsidizing domestic industry.

National Restaurant Association president Ted Balestreri, slamming the meal-deduction cap, equated entertainment in restaurants with other forms of business expense, such as marketing and office decoration. "Should we have a national cap on how much you can spend on a telephone or a typewriter?" Balestreri asked a small seminar audience, while a record crowd munched and shopped in the convention's exhibit halls.

NRA executive vice president Bill Fisher said the organization would not propose any alternatives that would raise the controversial cap, which, as currently drafted, would restrict the tax deductibility of each business-entertainment meal to $25 per person plus 50% of the rest of the check, including tax and tip.

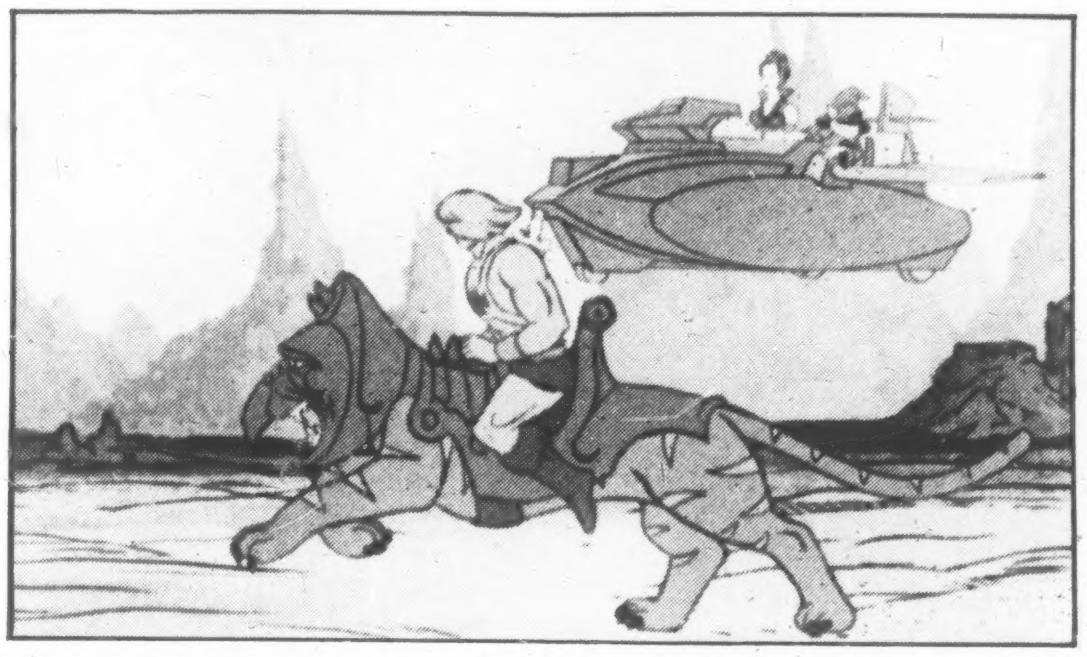
"It's not a question of price; it's a question of concept," Fisher stressed, amplifying Balestreri's assertions that the cap would pave the way for further governmental interference with business and would cause the loss of 530,000 hospitality jobs and $6 billion in tax revenue.

Balestreri, last year's CRA president and this year's convention chairman, warmed up for his seminar remarks by enduring a sermon on special interest groups and the federal deficit, delivered to a near-capacity audience by keynote speaker James J. Kilpatrick at the show's opening ceremonies.

Kilpatrick, the nation's most widely syndicated political columnist, satirized the interactions of Congress and lobbyists over the proposed elimination of various subsidies. Invariably, Kilpatrick remarked, Congress had relented on cuts to such entities as the Small Business Administration, Amtrak and grand opera.

*(See **SHOW**, page 43)*

Burger King offers children's value pack



Frame from animated He-Man commercial created by J. Walter Thompson to promote Burger King's Meal Pack.

MIAMI — Burger King, following the lead of McDonald's, has countered the burger giant with a "value pack" of its own in a joint promotion with Pepsi and Mattel Toys.

Clearly designed to appeal to children, the promotion is being bolstered by a $20 million series of animated television commercials. Burger King's ad agency, J. Walter Thompson in New York, created two 30-second spots for the promotion: one geared toward children and the other at parents.

Burger King's "Meal Pack" contains a 17-oz. cup featuring He-Man and other Mattel characters, along with a regular hamburger or cheeseburger, french fries and a small soft drink. Each pack sells for an average of $2, depending on the franchise, and contains a rebate coupon for a He-Man toy.

The promo, which runs through Sept. 8, was created by August, Bishop and Meier of Chicago.

McDonald's heavily advertised Value Pack, introduced in July, combines heftier portions of Chicken McNuggets, fries and a soda at a 50¢ discount.

Cod portion prices up; beef supply still stable

NRN Special Report

Although operators have not felt a pinch yet, imported cod blocks and slabs (the raw material from which portions are formed) are in thin supply, and the prices have been rising for the past two months. Processors had a good supply of finished portions on hand during the Newfoundland trawlermen's strike last winter, and they expected imports to increase after March. Prices remained fairly stable until early July.

Commodities

But in the months following the strike, supplies from Canada and other countries, such as Norway and Iceland, continued to lag demand and have fallen even further this summer. As a result, processors' supplies of finished product are running low, so increased demand for blocks and slabs may trigger further price rises unless imports grow. Expect rises in raw material to be passed on to operators in terms of higher portion costs unless block prices drop in the next few weeks.

Cod fillets have stayed stable in price, however, with 5 lb. packages of Canadian fillets at $1.05 for bone-in and for boneless $1.20 a pound as received by importers in Boston. Canadian haddock fillets moved up in price and are now about 10¢ to 15¢ a pound higher than they were a year ago. They are running at about $1.75 to $1.80 a pound, up a nickel from prices at the beginning of summer, with Icelandic fillets at $1.90 and Icelandic product $1.90 to $2.00 a pound.

Ocean perch, too, seems in short supply, although prices have stayed fairly stable this year at $1.05-$1.10 a pound for Canadian bone-in. Some operators have been switching to pollock, which has been in strong supply.

The continuing strong demand for catfish, fueled by plans of fast feeders to serve the fish throughout the country, has pushed prices up to $1.71 a pound, about 5¢ higher than they were last year, even though production jumped 44% since 1984. Expect further increases in output—and higher prices—by next year.

Most of the agricultural economists are convinced that the large supplies of full-weight cattle in feedlots, combined with the slow summer season for beef—and the steady, slow drop in consumer demand for red meats—will push the expected increase in prices up to the first quarter of 1986.

The U.S. Department of Agriculture surveyed producers and feeders in July and discovered that there were almost as many feeder cattle in the lots as there were last year at the same time. And that was in the face of a 5% to 8% drop-off in consumer demand. Those larger potential supplies have been holding a low-priced cap on the cost of freshly slaughtered beef, although slaughterhouse prices have not been fully passed on to the end user.

PRICE MOVEMENT AT A GLANCE

	Aug. 12, 1984	July 12, 1985	Aug. 12, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$0.98	$0.86	$0.80
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.5434	$0.5567	$0.5174
Cod, frozen, block & slab, imported Boston (lb.)	$0.96-$1	$1.04-$1.06	$1.06-$1.08
Coffee, green beans, Brazilian, NYC (lb.)	$1.44	$1.34	$1.32
Eggs, Grade A, large white, Chicago (doz.)	$0.67	$0.56-$0.59	$0.63-$0.66
Hams, canned, Polish, 11 lb., NYC (lb.)	$1.84	$1.53	$1.59
Lettuce, iceberg, No. 1, Calif. (24s)	$8-$9	$6-$8	$8-$10
Orange juice, frozen conc., Fla., (12/32 oz.)	$25.60	$27.20	$25.60
Pepper, black, NYC (lb.)	$1.02	$1.95	$1.80
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$1.02	$1.09	$1

Source: *NRN* research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

FDA bows to pressure, bans six sulfite preservatives

(Continued from page 1)

The FDA said it moved to ban the sulfite preservatives after receiving findings that documented numerous "alleged" adverse reactions to the chemical since 1983—including 13 deaths associated with sulfite treatments.

However, James Maryanski, a consumer safety officer with the FDA, was unable to determine when—and perhaps even if—the proposal would be put into effect. "First, we have to review the comments we receive on it," Maryanski explained. "There could be new information made available to change the original decision."

But even if no comments were received, "there would still be some administrative time needed to produce the final regulation," he added.

And despite recommendations from members of Congress and the National Restaurant Association, the current proposal does not address the use of sulfites in frozen precut potatoes. Other packaged foods, such as lemon juice, maraschino cherries, grape juice, various canned soups and dried fruits and vegetables would also remain unaffected.

Nevertheless, the NRA is "delighted" with the FDA's action, said spokesman Anne Papa. "Back in February of 1983, we urged our members to stop using sulfites," she said. "But we also recognized at that time that the real solution had to be legislative."

Richard Cristol, deputy director of the Food Additives Council in Atlanta, argued, however, that the proposed ban would have only a marginal effect on the food-service industry. "In essence, it's really a moot action," he said. "The vast majority of restaurateurs have already discontinued the use of sulfites."

Papa pointed out, though, that while food-service operators could easily control the use of sulfites in their own restaurants, "our members had no way of knowing what was going into the food at the suppliers' end." As a result, they may have unwittingly been serving foods already treated with the preservatives.

But for their part, many operators had ceased to use sulfites as fresheners as early as 1983. According to Lisa Zeigler, a spokesman for Burger King, the chain had begun to stop the use of sulfites in all of its products two years ago. "We don't use any preservatives," she said. "Our salad bars contain only fresh products."

The reaction was similar at Roy Rogers. Spokesman Mary Macguire said sulfite use throughout the chain was discontinued more than a year ago.

Correction

Due to a mechanical error, a chart on Page F3 of the Aug. 12 issue labeled "*NRN* Top 100 Gain Market Share" transposed the labels "Top 100 Companies" and "Top 100 Chains." Top 100 Chains have a 44.2% share of the total commercial food-service market this year, and Top 100 Companies have 29.2%.

In addition, two pizza chains, Pizza Inn and Godfather's, were inadvertently listed on the chart of top chicken chains on Page F21 of the same issue.

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Kitchen Design generic supplement appears between pages F4-F5.

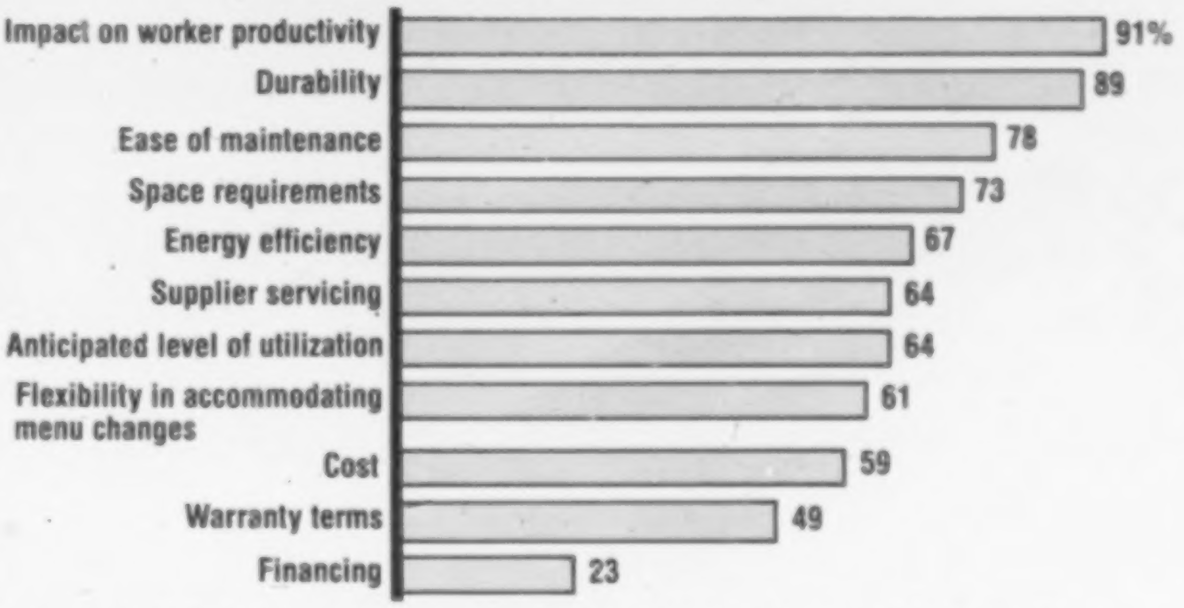
Vol. 19; No. 35 August 26, 1985

With space at a premium, kitchen planners are increasingly taking a 'multidimensional' approach to back-of-the-house design.

SURVEY: WHAT'S HOT, WHAT'S NOT

A piece of equipment's impact on worker productivity counts most in purchasing decisions.

Decisions, decisions: key factors considered in purchase of kitchen equipment*



**Percentage of respondents considering selected factors "extremely/very important" in decisions to purchase new kitchen equipment.*

Source: *NRN* Trade Study on Kitchen Equipment

What is the most used and sought-after cooking equipment in the country's restaurant kitchens today? What most influences operators' equipment-purchasing decisions? Are kitchens getting smaller? How is energy being saved in the back-of-the-house?

Those are some of the issues examined in a new in-depth *Nation's Restaurant News* trade study. The results paint a statistical picture of what's hot and what's not in the industry and offer the reader a look at what other operators are doing in two primary areas, equipment and energy management.

The most preferred piece of cooking equipment today appears to be the convection oven. It is also the cooking equipment that is expected to be utilized most heavily in coming years, according to the survey. The study spanned a total of 162 different food-service operations across the country, both independent restaurants and fast-food, family restaurant and dinnerhouse chains.

Convection ovens are being used by 67% of all survey respondents. Not far behind on a preselected list of equipment were microwave ovens (used in 62% of all establishments), followed by ranges (61%), broilers (59%), baking ovens (51%) and roasting ovens (27%).

Other types of equipment found most frequently include: Manual fryers (60%), automatic fryers (35%), mixers (77%), food warmers (75%), dishwashers (74%), steam tables (70%), griddles (55%), toasters (53%), food processors (52%), steam jacketed kettles (42%), salamanders (36%), espresso-cappuccino machines (28%), ice cream makers (28%), rotisseries (9%), woks (8%) and pasta cookers (4%).

There is also one statistic that proves the growing popularity of cooking foods over mesquite and other woods: a full 10% of all respondents now use wood-burning grills.

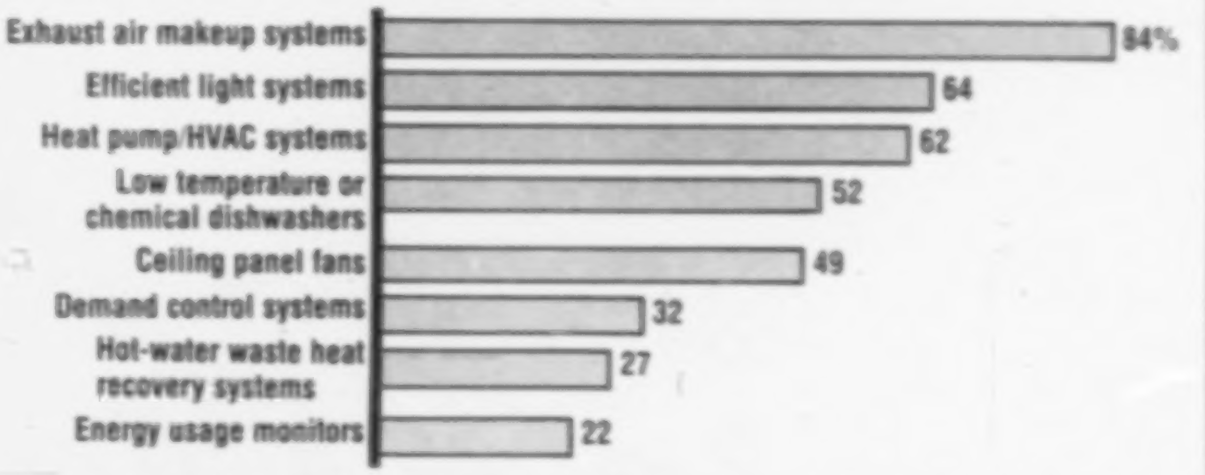
The most frequently purchased type of oven in the past two years was, again, the convection oven: Seventeen per cent of respondents installed it in their kitchens. Next on the shopping list were microwaves (16%), ranges (11%), baking ovens and broilers (9% each) and roasting oven (2%).

Other types of equipment high on operators' purchasing lists in the past two years were reach-in refrigerators (bought by 22% of all respondents), freezers (20%), griddles (17%), manual fryers (15%), mixers (14%), steam jacketed kettles (10%), food processors (9%), ice cream makers (7%) and espresso-cappuccino machines (6%).

It is somewhat surprising that

'In the old days, a worktable was a worktable. But now we think of space in terms of a cube—using all three dimensions.'

How restaurateurs save energy*



**Percentage of respondents utilizing the energy conservation system in their kitchens.*
Note: Percentages add to more than 100% because of multiple responses.
Source: *NRN* Trade Study on Energy Conservation measures

multiuse equipment, touted as the wave of the future in light of many operators' avowed attempts to get more use and productivity out of their kitchen space and equipment, is still a relatively uncommon sight. The likes of cutters-choppers, ovens-grills, slicers-dicers, convection steamers and multiuse prepping tables were found at only a few operations.

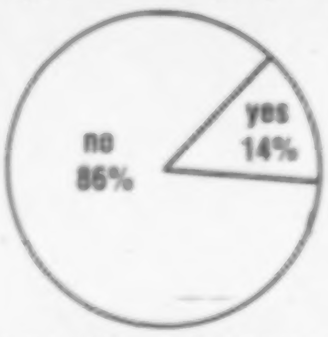
Restaurateurs today might be more cost-conscious in running their business, but they also know that cost alone should not be the determining factor when they choose a particular piece of equipment from among two or more manufacturers. In fact, only 59% of all respondents said cost was "extremely" or "very" important in their purchasing decisions. By far the most important factor (91%) was the equipment's impact on worker productivity. Other qualities or needs operators look for or consider are, on a descending "extremely/very important" scale: durability, ease of maintenance, space requirements, energy efficiency, supplier servicing, anticipated level of utilization, flexibility in accommodating menu changes, warranty terms and financing (see chart).

Meanwhile, a full one-fourth of all independent operators responding to the survey said they are planning to renovate their kitchens over the next two years. More than three-fourths of all chain operators said they would be renovating, too, or constructing new units in which some changes in current kitchen design are likely to be made. But if there is considerable renovation activity, the majority of kitchens (62%) are neither getting bigger nor smaller vis-à-vis the total space of their respective restaurants. Fifteen per cent of all respondents said they had increased kitchen space in the past two years, while 23% said they increased their back-of-the-house.

The most frequently cited reason (41%) for expanding kitchen space was menu expansion; 19% of all respondents cited greater customer traffic. Those who reduced their kitchens generally said they wanted to better utilize existing space.

Meanwhile, operators clearly like the merchandising appeal of display kitchens and similar front-of-the-house cooking modes. It is a trend that picked up steam only a couple of years ago, and today a full one-third of all nonfast-food operators have them; another 8% said they would be installing some type of display cooking within the next two years.

Formal energy conservation training programs for employees*



**Percentage of respondents who offer/do not offer formal training on energy conservation for their employees.*
Source: *NRN* Trade Study on Energy Conservation Measures

With the cost of energy taking an ever bigger bite out of a restaurant's overall income, it is not surprising to see that the vast majority of operators are using at least one conservation measure to reduct those costs.

The most frequently mentioned method (by 84% of all respondents), from a list of preselected measures, was the use of exhaust air makeup systems. In descending order of frequency, independents and fast feeders cited "efficient" lighting systems, heat pump/HVAC systems, low temperature dishwashers, ceiling paddle fans, demand control systems, hot-water waste heat recovery systems and energy usage monitors (see chart).

They also spontaneously mentioned such conservation measures as extra building insulation, solar heating systems, special insulation for refrigerators and preventive maintenance programs to ensure that all kitchen equipment runs at its most efficient levels.

Whether energy conservation gets the kind of full attention some say it deserves is unclear at best, however. Nearly 70% of all survey respondents said they do not plan to adopt any additional measures in the foreseeable future. Those who said they would most frequently mentioned building insulation, more careful monitoring of energy usage, hot-water waste heat recovery systems and demand control systems.

Moreover, more than 8 out of 10 operators said they do not have a formal energy conservation training program for their employees, another measure advocated by energy conservation specialists. Only 14% said they currently provide such training.

NRN Index reverses losing trend, inches up 0.7 to 127.1

NEW YORK — Reversing a three-week declining trend, the *Nation's Restaurant News* Food-Service Operators Stock Index inched up 0.7 point in the week ended Aug. 16 and closed at 127.1.

Other indexes of market activity were down, however. The Dow Jones Industrial Average fell 8.07 points in the week, closing at 1,312.72. News that housing starts were down in July contributed to continuing uncertainty about the strength of the economy, analysts said.

On *NRN*'s listing of 117 food-service and related stocks, 62 issues declined in price while only 28 advanced. Twenty-seven were unchanged. Meanwhile, 81 issues traded at lower volumes than their previous 12-week trading averages, as 34 traded higher and two were unchanged.

Hungry Tiger was the second-biggest percentage gainer in volume surge, as 185,300 shares changed hands, a 205.3% increase over the average. That followed W. R. Grace & Co.'s announcement that it would acquire the 40-unit chain.

Nathan's was one of the top percentage price gainers, up 56¢, to close at $3.94, a 16.7% increase. It reported that revenue in the first quarter ended June 30 rose 6%, to $6.58 million, and net profit, before adding a tax benefit to last year's comparable result, increased 17%, to $472,041.

D'Lites of America fell $1.13, to $9, a 52-week low.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Rusty Pelican	M	404.3	Nathans	M	100.0
Hungry Tiger	M	205.3	RAX Restaurants	M	88.4
Chili's Inc	M	123.7	Churchs Fr Ch	N	81.0
Ramada Inns	N	116.7	TCBY Entrprs	M	73.0
Carrols Cp	N	101.6	Flakey Jakes	M	55.3

TOP TEN GAINERS

(Weekly Price Change, in %)

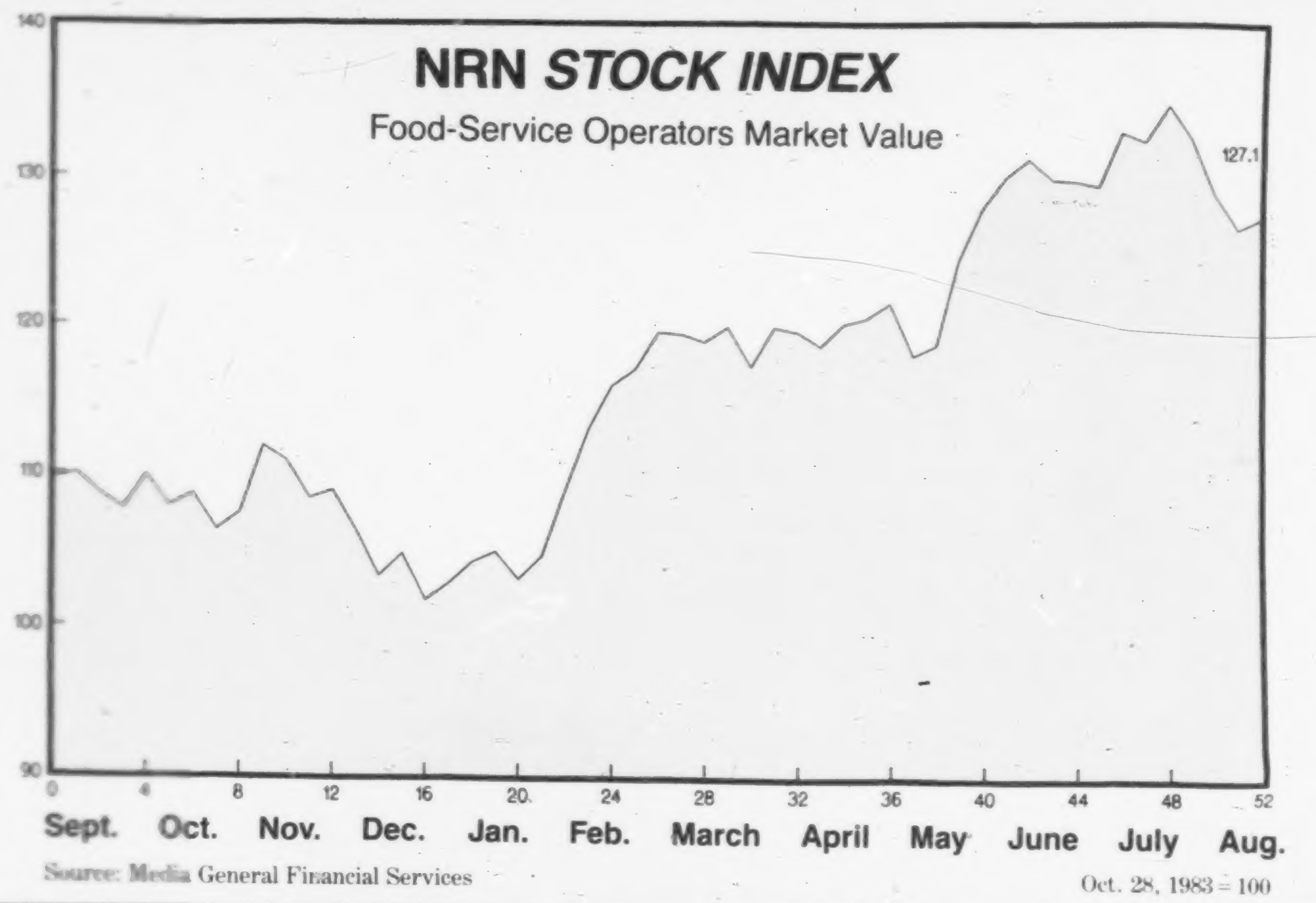
Peo Restaurants	M	50.0	Ramada Inns	N	6.6
SIS Cp	M	17.6	Cucos Inc	O	5.3
Nathans	M	16.7	Max & Erma's	O	4.8
Hungry Tiger	M	8.9	Jerrico Inc	M	3.9
Rest Mgmt	M	6.7	TCBY Entrprs	M	3.8

TOP TEN LOSERS

(Weekly Price Change, in %)

1 Potato 2	O	- 15.8	Swensens Inc	O	- 11.8
Brock Hotel Cp	N	- 15.0	DLites Of Amer	M	- 11.1
Fast Food Oper	O	- 14.3	Chefs Intl	O	- 10.0
Stuff Yer Face	O	- 13.6	Carrols Cp	N	- 9.4
Mr Steak	O	- 13.3	Sea Galley	M	- 9.4

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	8-16-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ... M	6.75	- .25	- 3.6	6.75	6.38	7.13	3.50	151	.42	.60	- 30.0	19.3	.00	.0	—	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests ... M	4.88	- .13	- 2.5	5.00	4.75	5.38	3.50	66	.27	.37	- 27.0	37.5	.00	.0	—	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants ... O	3.88	- .13	- 3.1	4.13	3.75	5.25	2.38	56	.24	.29	- 17.2	77.5	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts ... M	12.88	- .88	- 6.4	13.13	12.50	17.13	10.75	1,422	3.21	3.56	- 9.8	20.4	.12	.9	—	9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl ... M	17.75	- 1.13	- 6.0	18.88	17.13	21.75	12.38	2,214	7.61	5.65	34.7	16.6	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms ... M	20.50	.50	2.5	20.75	17.94	21.38	15.44	1,891	1.16	.90	28.9	19.5	.27	1.3		3 mos.	07-85	61.9	14.6	5.0	13.6	.31	14.8	61.9	14.6	5.0	13.6	.31	14.8
Calibre Cp ... M	1.75	- .13	- 6.7	2.00	1.75	5.13	.63	85	.28	.38	- 26.3	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ... M	14.00	- .25	- 1.8	14.25	14.00	15.13	8.13	728	1.61	2.92	- 44.9	20.6	.16	1.1	—	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab ... M	1.50	.00	.0	1.50	1.38	2.88	1.31	1,263	.82	.93	- 11.8	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp ... N	7.25	- .75	- 9.4	8.00	7.00	11.50	7.00	974	1.25	.62	101.6	10.2	.07	1.0	—	fiscal	05-85	37.1	18.9	.7	- 41.7	.09	- 25.0	146.3	20.2	5.5	19.6	.71	4.4
Chefs Intl ... O	.56	- .06	- 10.0	0.69	0.56	1.06	.38	1,517	.78	.53	47.2	NE	.00	.0	—	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's ... M	11.00	- .50	- 4.3	11.50	10.88	17.63	9.38	5,538	2.05	4.26	- 51.9	19.0	.00	.0	—	fiscal	04-85	56.5	38.5	3.5	- 18.6	.13	- 27.8	205.7	30.2	15.6	- 6.6	.58	- 12.1
Chili's Inc ... M	24.50	- 1.13	- 4.4	25.38	23.88	28.88	19.00	2,152	4.63	2.07	123.7	31.8	.00	.0	—	9 mos.	03-85	17.3	66.3	.8	100.0	.17	112.5	48.3	57.3	2.7	125.0	.58	87.1
Churchs Fr Ch ... N	16.00	.00	.0	16.50	15.75	20.25	12.75	16,856	4.47	2.47	81.0	13.7	.44	2.8		6 mos.	06-85	136.7	11.3	11.2	1.8	.30	3.4	253.0	11.4	19.1	7.9	.51	8.5
Collins Foods ... N	23.38	.75	3.3	23.63	22.75	25.00	13.63	1,036	.79	1.04	- 24.0	16.9	.16	.7	—	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev ... M	11.00	- .25	- 2.2	11.75	10.75	16.75	5.75	701	1.36	3.95	- 65.6	NE	.00a	.0		9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts ... M	3.63	.00	.0	3.75	3.38	5.38	3.38	263	.80	.56	42.9	16.5	.08	2.2		9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant ... M	3.38	.00	.0	3.63	3.25	9.50	3.00	590	1.30	2.38	- 45.4	NE	.00	.0	—	fiscal	05-85	24.0	50.9	(11.5)	- 100.0	(2.50)	- 100.0	87.0	37.2	(15.2)	- 100.0	(3.32)	- 100.0
Cracker Barrel ... M	13.50	.00	.0	13.50	13.00	23.00	11.75	335	.94	1.87	- 49.7	18.8	.14	1.0	—	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc ... O	5.00	.25	5.3	5.25	4.75	5.75	2.75	24	.14	.25	- 44.0	35.7	.00	.0	—	9 mos.	03-85	1.6	100.0	.1	.0	.04	33.3	4.8	108.7	.2	.0	.11	10.0
Diversifoods ... M	11.50	.25	2.2	11.50	11.25	14.63	8.00	53	.02	1.32	- 98.5	28.0	.34	3.0	—	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer ... M	9.00	- 1.13	- 11.1	9.88	9.00	15.50	9.00	1,534	3.01	3.04	- 1.0	69.2	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts ... M	24.63	.63	2.6	25.00	24.00	25.38	14.84	1,401	1.96	2.29	- 14.4	18.2	.24	1.0	—	6 mos.	04-85	.7	- 96.8	2.8	16.7	.38	15.2	24.7	- 41.3	5.4	14.9	.74	15.6
El Chico ... M	11.88	- .13	- 1.0	12.25	11.75	12.50	7.25	488	1.05	2.17	- 51.6	14.0	.00	.0	—	fiscal	05-85	27.7	43.5	1.2	33.3	.27	35.0	89.5	16.2	3.9	8.3	.85	6.3
El Pollo Asa ... O	4.38	.00	.0	4.63	4.13	6.34	1.84	802	3.17	2.87	10.5	NE	.00	.0	—	fiscal	03-85	.7	250.0	.0	NE	.01	NE	2.5	212.5	(.5)	NE	(.26)	NE
El Torito Rest ... N	17.00	- .38	- 2.2	17.25	16.88	19.25	10.63	682	.62	1.01	- 38.6	15.7	.00	.0	—	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest ... M	2.56	- .25	- 8.9	2.75	2.50	4.63	1.63	375	.63	1.31	- 51.9	NE	.00	.0	—	3 mos.	03-85	16.3	- 4.7	.4	NE	.07	NE	16.3	- 4.7	.4	NE	.07	NE
Fast Food Oper ... O	.75	- .13	- 14.3	0.88	0.75	1.31	.63	216	.37	.56	- 33.9	25.0	.00	.0	—	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes ... M	4.00	- .13	- 3.0	4.38	3.88	8.50	3.50	3,034	4.38	2.82	55.3	NE	.00	.0	—	3 mos.	03-85	5.3	253.3	(.5)	NE	(.07)	NE	5.3	253.3	(.5)	NE	(.07)	NE
Folks Rest ... O	2.25	.00	.0	3.00	2.25	7.38	2.25	42	.28	.27	3.7	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Fresher Cooker ... O	.38	.00	.0	0.63	0.38	6.50	.25	26	.12	1.02	- 88.2	NE	.00	.0	—	3 mos.	03-85	.7	- 22.2	(.2)	NE	(.15)	NE	.7	- 22.2	(.2)	NE	(.15)	NE
Frisch's ... A	24.00	.38	1.6	24.00	23.50	26.00	14.50	17	.04	.19	- 78.9	20.9	.22	.9	—	fiscal	05-85	32.2	- .6	1.7	- 10.5	.39	- 7.1	129.0	4.0	5.0	2.0	1.15	3.6
Fuddruckers Inc ... M	8.13	.25	3.2	8.13	7.75	15.13	6.00	1,491	2.21	3.25	- 32.0	47.8	.00	.0		6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco ... O	.44	.00	.0	0.50	0.44	3.13	.25	158	.53	1.16	- 54.3	NE	.00	.0	—	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet ... O	14.50	.00	.0	15.25	14.50	15.25	10.50	0	.00	.54	-100.0	7.4	.00	.0	—	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger ... M	6.13	.50	8.9	6.13	5.75	6.25	3.63	1,853	6.38	2.09	205.3	NE	.00	.0	—	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen ... O	60.00	.00	.0	63.50	60.00	65.00	39.00	19	.10	.15	- 33.3	14.7	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab ... M	19.00	- .50	- 2.6	19.25	19.00	24.75	15.25	513	1.79	2.05	- 12.7	12.5	.00a	.0	—	fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB's Rest ... M	13.38	- .75	- 5.3	14.00	13.25	15.50	9.09	1,612	3.49	4.93	- 29.2	17.6	.16	1.2		9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc ... M	20.00	.75	3.9	20.13	18.63	21.63	14.25	6,687	4.23	2.75	53.8	14.2	.12	.6	—	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp ... A	3.75	- .13	- 3.2	3.88	3.75	4.38	1.13	72	.29	1.71	- 83.0	4.2	.00	.0		6 mos.	03-85	5.6	- 12.5	(.1)	NE	(.06)	NE	10.8	- .9	3.8	NE	1.61	NE
Karcher Carl ... M	15.50	.25	1.6	15.63	15.00	29.13	13.50	970	1.37	1.91	- 28.3	14.0	.00	.0	—	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Kelly-Johnston ... O	.31	.00	.0	0.38	0.31	5.00	.25	654	.77	.98	- 21.4	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest ... A	1.75	- .13	- 6.7	1.88	1.63	3.50	1.63	121	.21	.35	- 40.0	NE	.00	.0	—	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.29)	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe ... N	32.50	- .63	- 1.9	33.00	32.13	37.38	26.38	323	.27	.42	- 35.7	21.0	.60	1.8	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp ... M	17.63	- .13	- .7	17.88	17.25	19.13	13.88	84	.17	.26	- 34.6	11.0	.30	1.7	—	fiscal	05-85	40.9	3.5	2.6	13.0	.50	13.6	131.8	4.0	8.2	10.8	1.60	11.1
Marriott Corp ... N	94.13	- .75	- .8	96.00	93.75	100.00	70.00	1,061	.41	.61	- 32.8	16.5	.54	.6	—	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest ... M	2.63	- .13	- 4.5	2.75	2.63	6.13	2.25	47	.09	.13	- 30.8	87.5	.00	.0	—	3 mos.	04-85	3.1	29.2	.0	- 100.0	.00	- 100.0	3.1	29.2	.0	- 100.0	.00	- 100.0
Max & Erma's ... O	2.75	.13	4.8	3.13	2.63	4.75	2.50	8	.04	.17	- 76.5	NE	.00	.0	—	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp ... N	64.38	- .88	- 1.3	65.63	64.38	70.00	48.50	6,171	.72	.96	- 25.0	13.9	.90	1.4	—	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures ... M	11.00	.00	.0	11.25	11.00	12.25	9.75	135	.28	.69	- 59.4	13.6	.00	.0	—	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc ... M	19.50	- .50	- 2.5	19.63	19.25	21.88	15.50	1,969	1.48	1.48	.0	12.7	.48	2.5	—	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak ... O	1.63	- .25	- 13.3	1.88	1.63	3.13	1.13	305	.64	.71	- 9.9	NE	.00	.0	—	6 mos.	03-85	.9	- 94.8	(.2)	NC	(.05)	NC	14.8	- 54.7	(.1)	NC	(.03)	- 100.0
Nankin Express ... O	.63	- .06	- 9.1	0.88	0.63	2.38	.63	84	.37	.88	- 58.0	NE	.00	.0	—	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans ... M	3.94	.56	16.7	4.00	3.38	4.50	2.00	205	.92	.46	100.0	12.3	.05	1.3	—	fiscal	03-85	4.5	9.8	(.2)	NE	(.07)	NE	21.7	8.5	.7	75.0	.32	68.4
Natl Pizza ... M	12.38	.00	.0	12.63	12.38	12.88	7.50	348	.63	.88	- 28.4	16.7	.00	.0	—	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc ... M	5.13	- .13	- 2.4	5.25	5.13	9.75	4.50	1,004	2.21	1.97	12.2	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman ... O	7.38	- .13	- 1.7	8.00	7.38	8.50	5.94	29	.24	.39	- 38.5	43.4	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	- 100.0	4.7	4.4	(.1)	NC	(.11)	- 100.0
1 Potato 2 ... O	1.00	- .19	- 15.8	1.38	1.00	6.38	.50	68	.31	.57	- 45.6	NE	.00	.0	—	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd ... M	4.50	.00	.0	4.50	4.50	5.25	4.00	58	.41	.63	- 34.9	7.1	.00	.0	—	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet ... M	7.50	- .38	- 4.8	7.88	7.50	8.38	6.00	377	1.02	2.55	- 60.0	13.4	.13	1.7	—	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants ... M	.19	.06	50.0	0.19	0.13	1.63	.13	801	.93	1.79	- 48.0	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ... M	22.13	- .13	- .6	22.25	22.13	24.13	16.50	110	.18	.81	- 77.8	14.0	.80	2.7	—	9 mos.	03-85	44.0	2.6	1.3	- 40.9	.21	- 41.7	138.8	8.1	7.0	18.6	1.16	18.4



Source: Media General Financial Services

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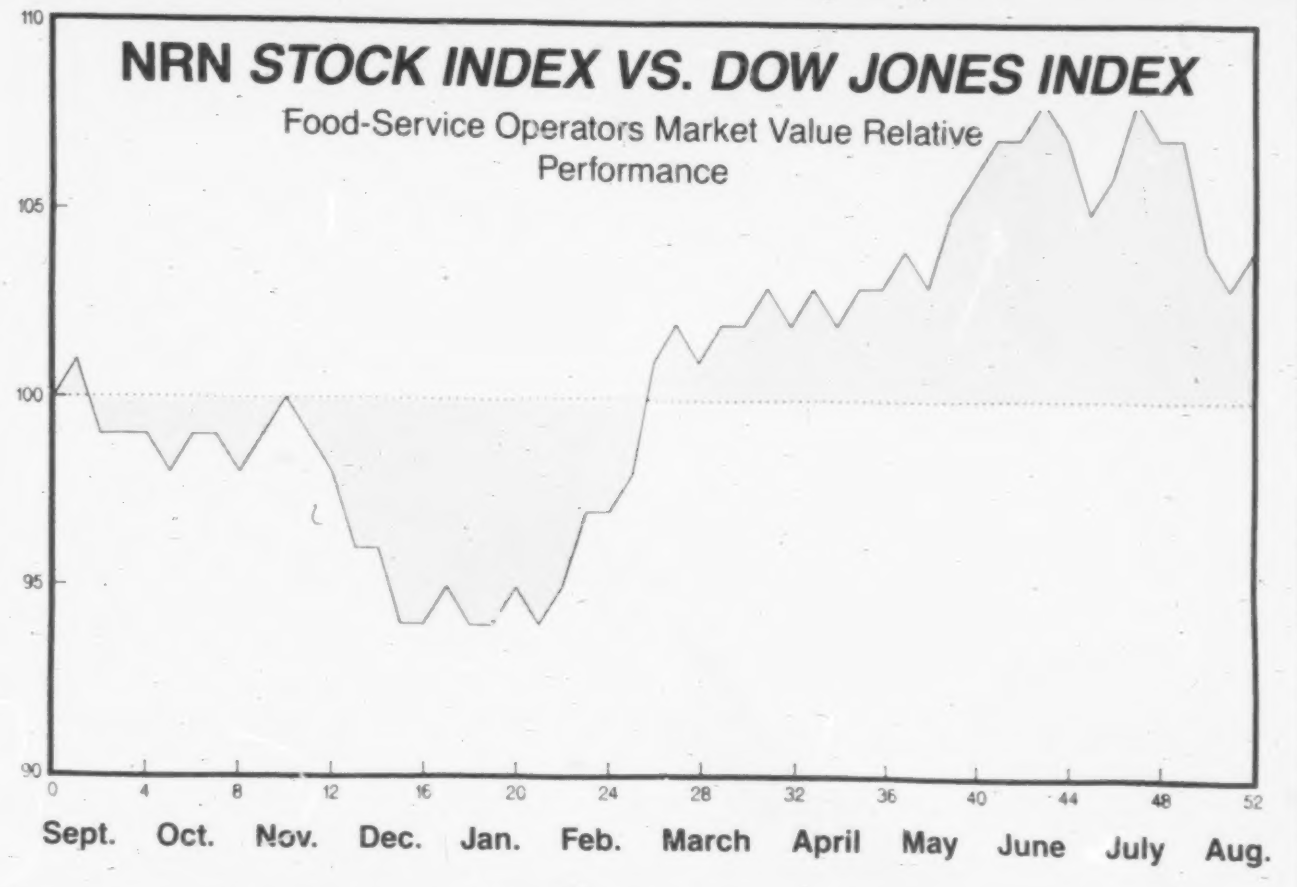

Company and Market	Stock Market											Financial Update																		
	Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date						
	8-16-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
		Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	7.38	-.50	-6.3	8.00	7.13	12.75	6.88	203	.67	.86	-22.1	24.6	.08	1.1	.....	3 mos.	03-85	47.7	24.2	.1	-87.5	.04	-84.6	47.7	24.2	.1	-87.5	.04	-84.6
Po-Folks M	13.38	.13	.9	13.75	13.00	16.00	8.75	273	.62	1.24	-50.0	17.4	.00	.0	.....	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys N	11.38	-.50	-4.2	12.00	11.25	21.00	10.75	1,165	1.21	2.14	-43.5	25.3	.40	3.5	.....	3 mos.	05-85	117.2	-1.3	.8	-82.2	.08	-85.5	117.2	-1.3	.8	-82.2	.08	-85.5
Primo Inc O	2.13	.00	.0	2.38	2.13	4.63	1.50	58	.17	.76	-77.6	NE	.00	.0	.....	6 mos.	03-85	.8	-20.0	.1	.0	.03	.0	1.8	-10.0	.2	.0	.07	16.7
RAX Restaurants M	7.00	-.50	-6.7	7.75	6.75	16.38	6.75	890	1.30	.69	88.4	NC	.00	.0		fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc A	7.75	-.63	-7.5	8.38	7.63	9.25	5.38	198	.70	.78	-10.3	16.8	.00	.0		6 mos.	06-85	35.8	9.1	.6	.0	.24	14.3	69.0	9.9	.3	-50.0	.12	-42.9
Hest Mgmt M	15.00	.94	6.7	15.00	14.06	15.00	6.75	303	1.43	1.64	-12.8	20.8	.08	.5	.....	6 mos.	04-85	8.3	25.8	.5	66.7	.18	20.0	18.2	37.9	1.0	42.9	.39	21.9
Rest Systems M	15.13	-.25	-1.6	15.50	14.75	16.50	11.75	335	1.45	1.03	40.8	16.6	.00	.0	.....	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D M	2.00	-.13	-5.9	2.25	2.00	5.75	1.75	187	.36	.81	-55.6	NE	.00	.0	.....	3 mos.	03-85	3.0	7.1	(.7)	NE	(.13)	NE	3.0	7.1	(.7)	NE	(.13)	NE
Rusty Pelican M	15.88	-.88	-5.2	16.50	15.88	18.25	11.00	983	3.48	.69	404.3	21.5	.00	.0	.....	9 mos.	04-85	13.0	39.8	.6	20.0	.24	-4.0	34.5	40.2	1.1	.0	.42	-20.8
Ryan's Fam M	16.50	-.63	-3.6	17.00	16.50	19.25	11.34	403	.58	1.07	-45.8	27.0	.00	.0	.....	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp N	26.63	.50	1.9	26.88	25.50	35.00	24.50	2,163	1.65	1.62	1.9	12.2	.52	2.0	.....	fiscal	06-85	324.8	6.2	2.1	-67.2	.16	-66.7	1254.8	10.9	29.1	-6.1	2.18	-9.2
Sandwich Chef M	8.25	.00	.0	8.38	8.13	9.00	6.88	64	.51	.71	-28.2	14.5	.00	.0	.....	9 mos.	03-85	7.2	9.1	.2	.0	.13	-23.5	21.2	12.2	.5	.0	.40	5.3
Sea Galley M	6.00	-.63	-9.4	6.50	5.88	9.50	6.00	1,360	4.28	2.85	50.2	3.2	.00	.0	.....	6 mos.	06-85	15.3	-7.8	.3	-81.3	.13	-68.3	29.9	-8.3	2.3	-23.3	.70	-9.1
Shoney's Inc M	27.88	.38	1.4	28.25	27.38	31.88	21.94	1,979	.70	1.21	-42.1	23.4	.15	.5	.....	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South M	12.00	.00	.0	12.13	11.75	16.59	10.00	257	.46	1.46	-68.5	11.1	.00	.0		6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	-25.0	.51	-25.0
SIS Cp M	5.00	.75	17.6	5.00	4.25	6.00	3.25	66	.43	.32	34.4	NE	.00	.0	.....	3 mos.	03-85	2.5	78.6	(.1)	NE	(.09)	NE	2.5	78.6	(.1)	NE	(.09)	NE
Sizzler Rest Intl M	16.00	.25	1.6	16.25	15.50	17.75	9.16	346	.34	.88	-61.4	16.5	.00	.0	.....	fiscal	04-85	42.6	13.0	2.9	16.0	.28	16.7	159.5	11.9	9.9	23.8	.97	24.4
Skippers M	9.00	-.50	-5.3	9.50	9.00	12.50	9.00	209	.77	1.14	-32.5	9.8	.06	.7	.....	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	-2.4
So Hospitality M	4.63	.00	.0	4.63	4.38	5.88	4.00	553	1.11	2.46	-54.9	13.2	.00	.0	.....	fiscal	05-85	9.4	-6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face O	.59	-.09	-13.6	0.69	0.59	1.44	.50	628	.41	.35	17.1	NE	.00	.0	.....	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	-100.0	(.04)	-100.0
Swensens Inc O	1.88	-.25	-11.8	2.25	1.88	3.50	1.50	68	.13	.28	-53.6	NE	.00	.0	.....	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	-100.0
Taco Villa O	5.75	.00	.0	6.50	5.75	7.75	4.75	58	.15	.21	-28.6	19.8	.00	.0	.....	3 mos.	03-85	8.8	22.2	.3	.0	.07	-12.5	8.8	22.2	.3	.0	.07	-12.5
Taco Viva M	4.88	-.25	-4.9	5.13	4.88	7.50	4.84	194	.57	1.14	-50.0	14.3	.00	.0	.....	9 mos.	02-85	5.5	-6.8	.3	-25.0	.10	-9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	9.75	-.63	-6.0	10.50	9.75	12.38	7.88	322	.28	.83	-66.3	14.4	.00	.0	.....	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas O	2.00	.00	.0	2.50	2.00	2.38	2.00	0	.00	.09	-100.0	NE	.00	.0	.....	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs M	20.38	.75	3.8	20.75	19.00	21.50	2.81	2,594	5.95	3.44	73.0	56.6	.00	.0	.....	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld N	39.00	.13	.3	40.00	38.25	41.13	28.00	7,860	2.21	1.99	11.1	13.0	.48	1.2	.....	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	-7.1	1009.5	4.3	47.1	-4.3	1.19	-9.8
USACafes M	5.50	.00	.0	5.63	5.38	6.00	2.88	2,711	4.31	2.84	51.8	15.7	.28	5.1	.....	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	-10.3
Vicorp Restaurants M	22.25	-1.38	-5.8	23.25	21.75	28.25	13.25	3,538	4.21	3.67	14.7	18.5	.12	.5	.....	6 mos.	04-85	85.8	61.0	1.4	-30.0	.17	-43.3	192.5	121.3	2.8	-9.7	.34	-26.1
Victoria Stations M	3.00	-.13	-4.0	3.00	2.88	6.13	2.13	508	1.12	2.07	-45.9	NE	.00	.0	.....	fiscal	03-85	20.3	-14.0	(2.2)	NE	(.62)	NE	93.8	-7.3	(5.9)	NE	(1.67)	NE
Wendys Intl N	16.75	-.38	-2.2	17.13	16.25	19.13	12.19	6,333	.86	1.22	-29.5	16.8	.21	1.3	.....	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer M	11.00	-.13	-1.1	12.00	11.00	12.00	9.00	52	.43	.33	30.3	18.0	.20	1.8	.....	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp N	6.00	-.25	-4.0	6.25	6.00	11.88	5.13	248	.62	.85	-27.1	NM	.00	.0	.....	6 mos.	06-85	28.0	-.4	.2	-75.0	.06	-66.7	51.9	-1.0	(.4)	-100.0	(.10)	-100.0
Hotels, Motels, and Casinos																														
Brock Hotel Cp N	2.13	-.38	-15.0	2.50	2.00	5.13	1.88	1,234	.87	.80	8.8	NE	.10	4.7	.....	6 mos.	06-85	61.9	-9.4	(13.8)	NE	(.97)	NE	128.7	-9.0	.1	NE	.01	NE
Hilton Hotels N	59.88	-1.00	-1.6	60.88	59.63	73.50	49.38	1,301	.53	.66	-19.7	12.6	1.80	3.0	.....	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp N	51.88	-1.00	-1.9	53.13	51.88	58.13	35.25	2,362	.87	1.29	-32.6	12.4	1.00	1.9	.....	6 mos.	06-85	470.3	3.7	32.2	-7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn N	32.75	-.25	-.8	33.38	32.13	35.13	16.13	1,580	.82	1.03	-20.4	29.0	.09	.3	.....	9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns N	8.13	.50	6.6	8.25	7.63	8.25	5.13	18,382	4.94	2.28	116.7	NM	.00	.0	.....	3 mos.	03-85	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0
Servico Inc M	20.00	.00	.0	20.38	20.00	21.38	13.44	94	.25	.47	-46.8	13.9	.00a	.0	.....	3 mos.	03-85	42.0	-2.1	.1	-88.9	.04	-83.3	42.0	-2.1	.1	-88.9	.04	-83.3
Sonesta Intl M	23.00	.50	2.2	26.00	23.00	27.00	18.50	2	.01	.05	-80.0	7.7	.40	1.7	.....	3 mos.	03-85	12.0	-13.7	(2.1)	NE	(1.85)	NE	12.0	-13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																														
Allegheny Bev M	18.75	.13	.7	18.88	17.75	22.63	15.25	950	1.58	1.43	10.5	18.6	.40	2.1	.....	9 mos.	12-84	NC	NC	(2.3)	-100.0	(.37)	-100.0	368.4	35.4	4.7	-48.9	.75	-49.3
Arden Intl O	2.38	.00	.0	2.50	2.25	2.75	1.13	158	.67	.59	13.6	NE	.00	.0	.....	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Ch Full O Nut N	8.13	.13	1.6	8.63	8.00	11.41	7.03	344	.70	.57	22.8	NM	.00a	.0	.....	9 mos.	04-85	29.9	4.2	.1	-66.7	.02	-66.7	87.1	.2	.4	-60.0	.09	-57.1
Disney, Walt N	88.00	-1.13	-1.3	88.88	87.38	95.00	53.63	3,302	1.00	1.90	-47.4	49.7	1.20	1.4	.....	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills N	56.13	.00	.0	57.00	55.88	64.00	47.75	2,373	.54	1.36	-60.3	33.2	2.24	4.0	.....	9 mos.	02-85	354.8	-73.6	(74.1)	-100.0	(1.64)	-100.0	3300.6	-22.2	35.6	-81.5	.79	-80.6
Grace W R N	43.75	.13	.3	44.25	43.25	45.00	38.50	3,796	.78	1.02	-23.5	12.7	2.80	6.4	.....	6 mos.	06-85	1908.8	9.6	41.4	-28.0	.83	-29.7	3488.8	7.7	76.9	-25.6	1.55	-26.9
Horn & Hardart A	8.63	.13	1.5	9.13	8.13	14.50	7.88	1,724	1.41	1.13	24.8	NM	.00a	.0		6 mos.	06-85	91.3	-2.6	(1.7)	-100.0	(.15)	-100.0	173.6	-3.6	(1.7)	-100.0	(.16)	-100.0
Ogden Corp N	31.50	-.88	-2.7	33.75	31.50	34.25	24.13	2,270	1.19	.91	30.8	15.2	1.80	5.7	.....	3 mos.	03-85	578.0	9.3	12.0	2.6	.63	3.3	578.0	9.3	12.0	2.6	.63	3.3
PepsiCo Inc N	57.38	.00	.0	58.13	57.25	60.50	39.88	9,022	.96	1.84	-47.8	10.4	1.78	3.1	.....	6 mos.	06-85	1880.8	-.3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co N	51.13	.25	.5	51.75	50.38	56.63	36.63	4,903	1.13	.93	21.5	12.1	1.56	3.1	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	-17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec O	3.50	.00	.0	4.00	3.50	4.50	3.50	17	.09	.09	.0	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	-100.0	1.1	57.1	(.1)	NC	(.03)	-100.0
Reynolds, RJ N	26.88	-1.25	-4.4	28.25	26.63	35.00	24.41	21,722	.86	1.24	-30.6	8.3	1.40	5.2	.....	6 mos.	06-85	3404.0	31.0	228.0	-14.3	.86	-3.4	6302.0	34.4	410.0	-5.1	1.52	7.0
Vie de France M	9.88	-.75	-7.1	10.63	9.88	15.25	8.13	463	.43	1.49	-71.1	16.7	.23	2.3	.....	9 mos.	03-85	18.8	16.8	1.5	-11.8	.15	-11.8	48.5	20.3	4.5	9.8	.42	2.4

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219.

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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Mini restaurants take Manhattan
Pushcart jockeys/Page 91

Bustle returns to Rush Street
Chicago's latest/Page 37

Martin's L.A.Report/Page 51

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Kevin Horan

Edwin, left, and William Zehnder.

Zehnder's sales zoom

Independent a big tourist draw

By Ken Frydman

FRANKENMUTH, Mich. — Nearly 60 years ago the Zehnder family struck upon a food-service formula that has propelled its 1,300-seat restaurant to $9.5 million in annual sales.

Tourists and chicken—from chicken noodle soup and chicken salad to chicken livers and fried chicken—have remained the keys to Zehnder's success since 1928, when William Zehnder Sr. opened the family-style restaurant on the site of the converted Exchange Hotel, built in 1856.

"Eighty per cent of our sales are chicken-related," said Dennis Newman, spokesman for the second-generation, Zehnder-owned operation. "And we serve 800,000 lb. of chicken to 800,000 customers—75% of them tourists—every year.

The 20% who do not order chicken

*(See **ZEHNDER'S**, page 125)*

Pillsbury is keeping Godfather's Pizza

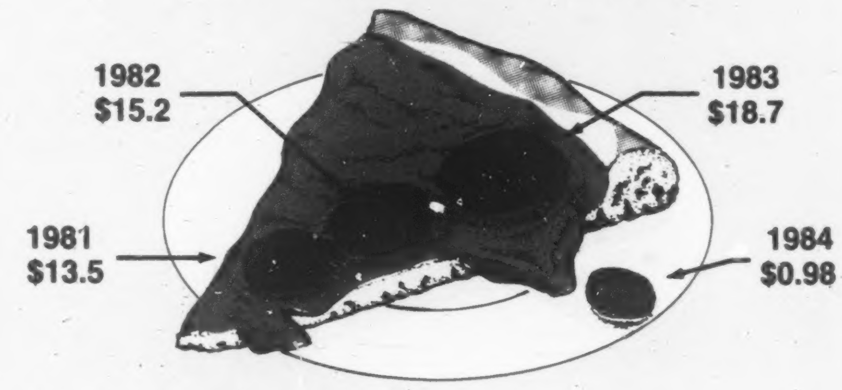
Pettis heads chain, reports to Campbell

By Don Jeffrey

MINNEAPOLIS — Pillsbury, whose restaurant concepts range from Burger King to Bennigan's and whose Totino brand of frozen pizza is market-share leader, is combining its expertise in fast-food operations and pizza marketing to try to turn around the once-mighty Godfather's.

GODFATHER'S PROFITS SPILL

(Pretax Profits by Fiscal Year, in Millions)



Source: Diversifoods' annual reports

After absorbing more than 375 Burger Kings purchased from Diversifoods into its company operations, Pillsbury has answered the major question that followed its $390 million acquisition: What will it do with Godfather's?

The 865-unit pizza chain will be operated out of Omaha by its president, Henry ("Pete") Pettis, who will report to Jeffrey Campbell, executive vice president of Pillsbury and chairman of its Burger King subsidiary.

"We know the pizza business," said Pillsbury spokesman Johnny Thompson. "Burger King knows the fast-food business. We think there's a lot of growth in the pizza market."

But, after a severe decline in profitability last year, Godfather's has had operating losses in the first two quarters this year. Sources said it is at a break-even point now.

Analysts who follow Pillsbury believe it has made a smart move in keeping Godfather's because it paid relatively little for the chain. Stephen Carnes, an analyst with Piper Jaffray, said, "I really have got a lot of confidence that two years from now you're going to see Godfather's as a bargain purchase."

Pillsbury's move into the pizza seg-

*(See **PILLSBURY**, page 125)*

Several big investors unload Church's stock

SAN ANTONIO — More than 3.7 million shares of stock in Church's Fried Chicken Inc., nearly 10% of its outstanding shares, were traded on the New York Stock Exchange in one day, fueling reports that an unfriendly takeover was in the works. It was the most active issue on the Big Board.

On the next day, Aug. 22, 960,000 more shares changed hands, making a two-day trading total of 4.68 million, or about 12.3% of the company's 37.8 million shares outstanding.

When the dust settled, the company and securities analysts reported that several big institutional investors had sold out their shares after two highly regarded analysts lowered their quarterly and yearly earnings estimates on Church's.

The chain has experienced soft sales recently, and its profit margins have been squeezed by the high costs of introducing its new catfish product. Catfish and chicken nugget sales reportedly have been cutting into fried chicken sales.

In the second quarter, ended June 16, net profit rose only 2.4%, to $11.2 million, as revenue went up 10.8%, to $139.4 million, compared with figures for the same period last year. For six months the net climbed 7.9%, to $19.1 million, on a 9.5% revenue gain, to $255.7 million.

Chief financial officer Bucky Kilbourne acknowledged that sales were flat—real growth had shrunk from about 8% to 0. "I don't think it's a marketing or operations issue," he said, "It's industry-wide."

He said Church's had begun promoting its catfish again in order to boost sales. Analysts

*(See **CHURCH'S**, page 125)*

HEAVY TRADING IN CHURCH'S

Date	Volume	Closing Price (Change)
Wed., Aug. 21	3,720,000	15 (−1)
Thurs., Aug. 22	960,900	15¼ (+¼)
Friday, Aug.23	333,400	15½ (+¼)

Total Shares Traded, Aug. 21-23: 5,014,300

Total Shares Outstanding: 37,000,000

Source: *NRN* research

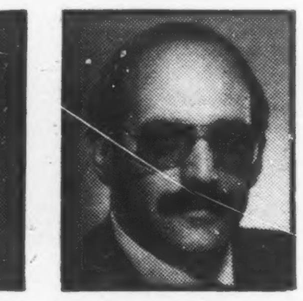
New Arby's chief steers chain back to its roots

By David Zuckerman

ATLANTA — A two-year odyssey to break free from a limited market niche will apparently end at Arby's, as new president and chief executive Leonard H. Roberts attempts to steer the 1,440-unit chain back toward its roast beef origins.

"We can not be afraid of our own consumer niche as a roast beef chain," proclaimed Roberts, who joined Arby's on July 1 following an 11-year career with Ralston Purina. "For a chain to grow, it must have a clear niche in the marketplace, and in my opinion roast beef is a legitimate niche totally separate from burgers."

Roberts



Hermann

Frequently compared with the top fast-food burger chains, Arby's has struggled with below-par average-unit sales and slow growth while the so-called big three—McDonald's, Burger King and Wendy's—have soared to new heights on the wings of massive marketing campaigns, new product rollouts and rapid unit development.

But while Arby's has attempted to match those efforts in the last few years by diversifying into breakfast,

*(See **ARBY'S**, page 125)*

NRN Index up 0.7 to 127.8; losers beat gainers 61-37

NEW YORK — Although declining issues continued to outnumber those advancing in price, the *Nation's Restaurant News* Food-Service Operators Stock Index climbed 0.7 in the week ended Aug. 23 to close at 127.8.

The Dow Jones Industrial Average rose 5.60 in the week, closing at 1,318.32. Analysts said rumors of corporate takeovers drove some stock prices up. In addition, some investors were encouraged by the news that the economy grew at a 2% annual rate in the second quarter, higher than expected.

On *NRN*'s complete, 117-stock listing, 61 issues declined in price while only 37 advanced. Nineteen were unchanged. Regarding volume surges, 43 issues traded higher than their previous 12-week averages.

TCBY Enterprises, parent of This Can't Be Yogurt, had the biggest percentage increase in price, 16.6%, after announcing the public offering of 450,000 shares. It rose $3.38 to $23.75, a new 52-week high. Others that closed at new highs were A & M Food Service, up 38¢ to $7.13, and Western Steer, up $1 to $12.

Issues with the greatest percentage price declines were Concept Development, down $4 to $7, a 36.4% drop, and Good Taco, down 13¢ to 31¢, a 28.6% decrease. Concept, the biggest Godfather's franchisee, was reported to have held discussions over possible acquisition of Godfather's.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Maverick Rest M	468.8	SIS Cp M	276.3
Chili's Inc M	393.6	Sonesta Intl M	180.0
Nathans M	340.6	Jerrico Inc M	178.3
Ramada Inns N	318.1	TCBY Entrprs M	164.3
Churchs Fr Ch N	293.6	Allegheny Bev M	160.4

TOP TEN GAINERS

(Weekly Price Change, in %)

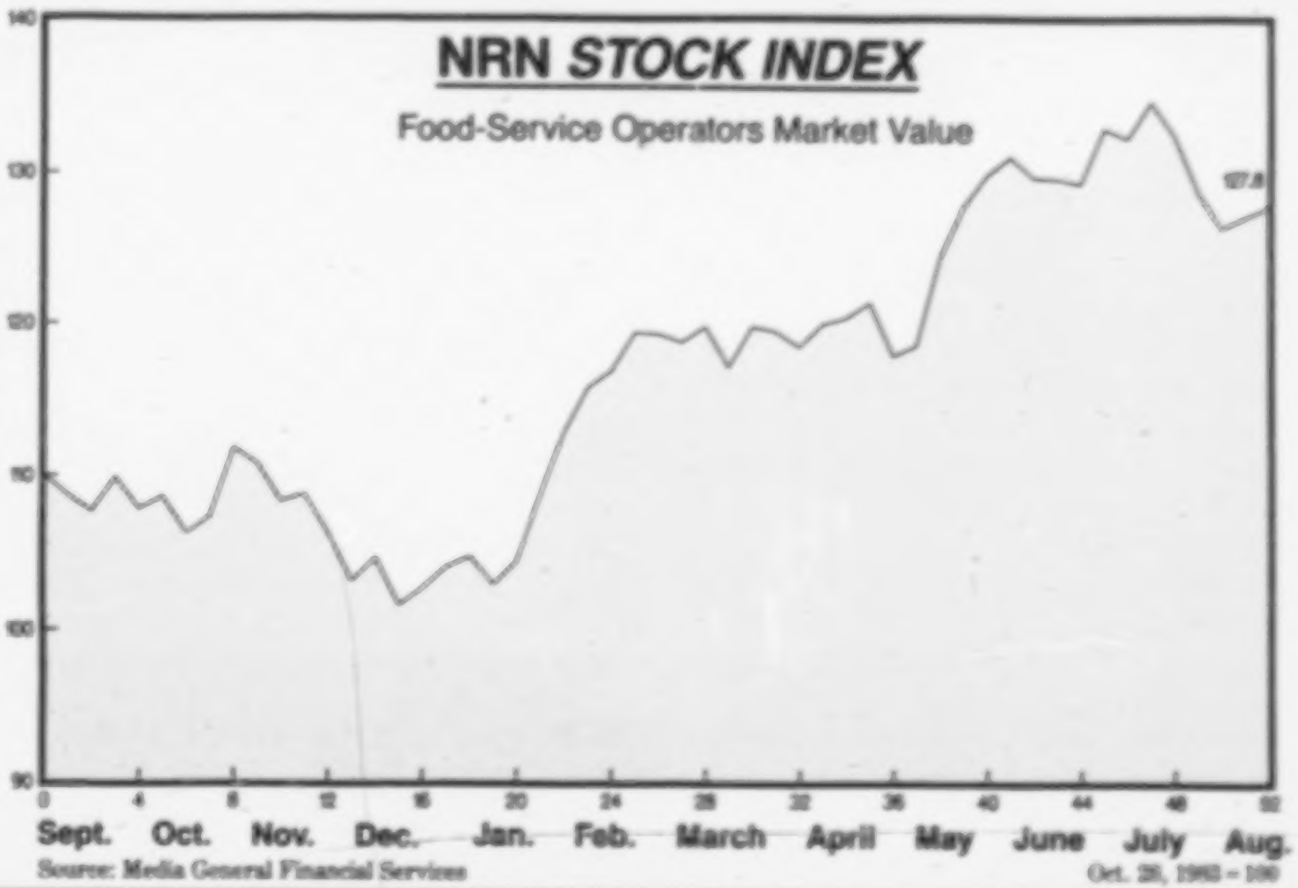
TCBY Entrprs M	16.6	Wstn Steer M	9.1
Nathans M	11.1	Taco Villa O	8.7
Luby's Cafe N	10.8	Pizza Inn A	8.5
Jerrico Inc M	10.6	Vicorp Restaurants M	7.9
Ramada Inns N	9.2	Ritzys G D M	6.3

TOP TEN LOSERS

(Weekly Price Change, in %)

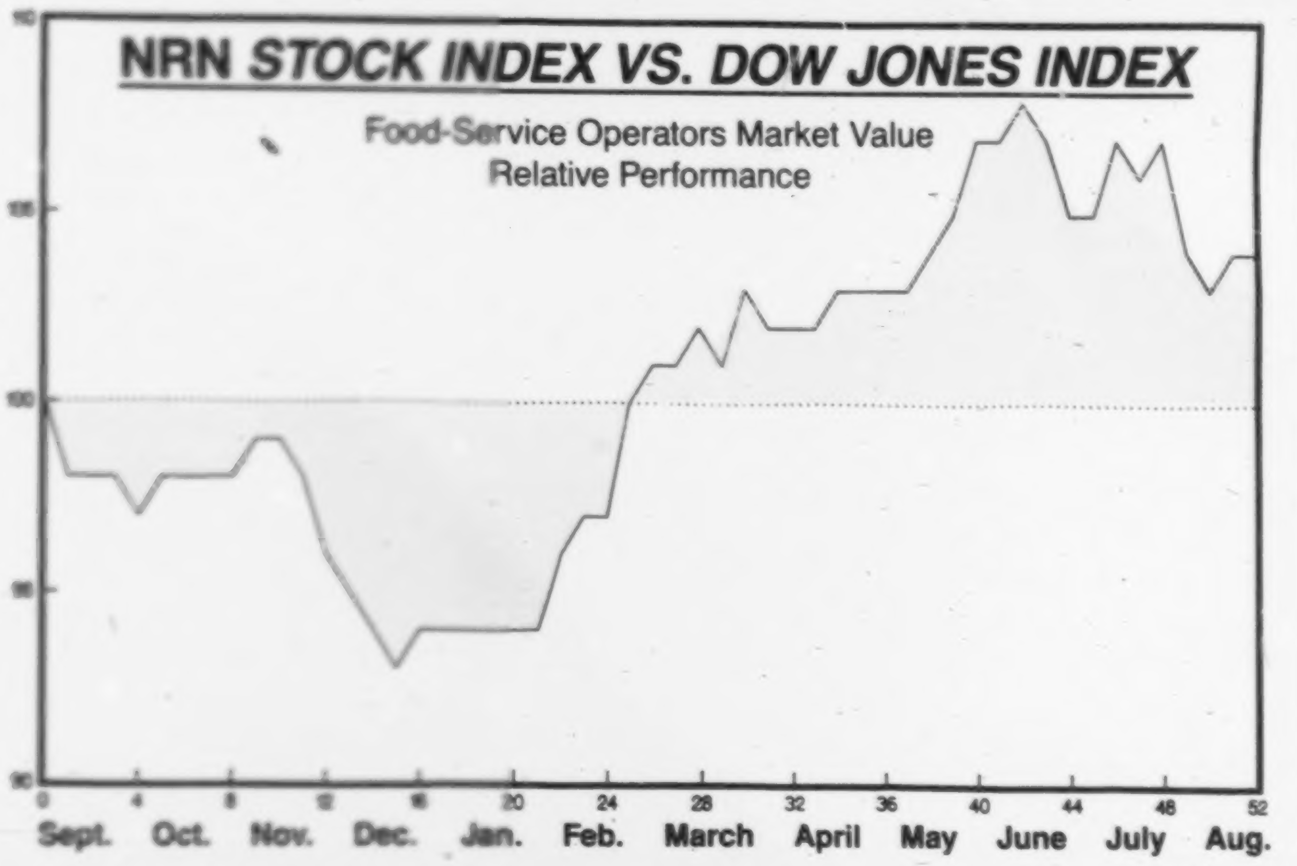
Concept Dev M	-36.4	Primo Inc O	-17.6
Good Taco O	-28.6	Am Restaurants O	-12.9
1 Potato 2 O	-25.0	Consul Restaurant M	-11.1
Nankin Express O	-20.0	DLites Of Amer M	-9.7
Kelly-Johnston O	-20.0	Capt Crab M	-8.3

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	8-23-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	7.13	.38	5.6	7.13	6.38	7.13	3.50	255	.72	.65	10.8	20.4	.00	.0	—	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests M	5.00	.13	2.6	5.00	4.88	5.38	3.50	10	.04	.34	-88.2	38.5	.00	.0	—	6 mos.	04-85	10.4	1055.6	.1	-80.0	.04	-80.0	19.9	114.0	.0	-100.0	.01	-92.3
Am Restaurants O	3.38	-.50	-12.9	3.75	3.13	4.75	2.38	163	.71	.33	115.2	67.5	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	-100.0	(.01)	-100.0	4.7	4.4	.0	-100.0	(.01)	-100.0
Assoc Hosts M	12.63	-.25	-1.9	12.88	12.50	17.13	10.75	686	1.55	3.63	-57.3	20.0	.12	1.0	—	9 mos.	06-85	22.8	-5.0	.6	-45.5	.12	-47.8	68.2	-4.1	2.0	-33.3	.44	-33.3
Benihana Natl M	17.63	-.13	-.7	17.63	16.75	21.75	12.38	1,103	3.79	5.68	-33.3	16.5	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	21.00	.50	2.4	21.63	20.25	21.63	15.69	1,923	1.18	.97	21.6	20.0	.27	1.3	—	3 mos.	07-85	61.9	14.6	5.0	13.6	.31	14.8	61.9	14.6	5.0	13.6	.31	14.8
Calibre Cp M	1.75	.00	.0	1.88	1.75	5.13	.63	101	.33	.39	-15.4	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	14.25	.25	1.8	14.38	13.13	15.13	8.13	3,320	7.34	3.34	119.8	21.0	.16	1.1	—	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab M	1.38	-.13	-8.3	1.50	1.38	2.88	1.31	807	.53	.90	-41.1	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	7.00	-.25	-3.4	7.50	7.00	11.50	7.00	480	.62	.62	.0	9.9	.07	1.0	—	fiscal	05-85	37.1	18.9	.7	-41.7	.09	-25.0	146.3	20.2	5.5	19.6	.71	4.4
Chefs Intl O	.56	.00	.0	0.69	0.56	1.06	.38	731	.38	.54	-29.6	NE	.00	.0	—	3 mos.	04-85	5.3	-11.7	.0	NE	.00	NE	5.3	-11.7	.0	NE	.00	NE
Chi-Chi's M	10.63	-.38	-3.4	11.00	10.50	16.88	9.38	2,543	.94	4.21	-77.7	18.3	.00	.0		fiscal	04-85	54.8	34.3	3.5	-18.6	.13	-27.8	198.6	25.7	15.6	-6.6	.58	-12.1
Chili's Inc M	24.25	-.25	-1.0	24.75	24.00	28.88	19.00	7,552	16.24	3.29	393.6	27.6	.00	.0		fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch N	15.50	-.50	-3.1	16.25	14.50	20.25	12.75	53,540	14.21	3.61	293.6	13.2	.44	2.8	—	6 mos.	06-85	136.7	11.3	11.2	1.8	.30	3.4	253.0	11.4	19.1	7.9	.51	8.5
Collins Foods N	22.38	-1.00	-4.3	23.63	22.00	25.00	13.63	415	.32	.98	-67.3	16.2	.16	.7	—	fiscal	04-85	124.0	18.9	4.4	22.2	.33	22.2	468.6	19.1	18.3	18.8	1.38	16.9
Concept Dev M	7.00	-4.00	-36.4	11.25	6.50	16.75	5.75	5,130	9.92	4.41	124.9	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	-100.0	(.23)	-100.0	30.2	9.4	(1.2)	-100.0	(.23)	-100.0
Consol Prdts M	3.50	-.13	-3.4	3.63	3.50	5.38	3.38	185	.56	.60	-6.7	15.9	.08	2.3	—	9 mos.	06-85	16.4	.0	(.1)	-100.0	(.02)	-100.0	50.2	-2.3	.2	-71.4	.06	-68.4
Consul Restaurant M	3.00	-.38	-11.1	3.13	2.88	9.50	2.88	821	1.80	2.40	-25.0	NE	.00	.0	—	fiscal	05-85	24.0	50.9	(11.5)	-100.0	(2.50)	-100.0	87.0	37.2	(15.2)	-100.0	(3.32)	-100.0
Cracker Barrel M	13.50	.00	.0	13.75	13.25	22.00	11.75	171	.48	1.72	-72.1	18.8	.14	1.0	—	9 mos.	04-85	16.0	16.8	.3	-40.0	.07	-61.1	46.6	18.2	.9	-35.7	.26	-50.0
Cucos Inc O	5.25	.25	5.0	5.75	5.00	5.75	2.75	80	.46	.29	58.6	32.8	.00	.0		fiscal	06-85	2.0	122.2	.1	NC	.05	66.7	6.8	112.5	.3	50.0	.16	23.1
Diversifoods M	11.25	-.25	-2.2	11.25	11.25	14.63	8.00	25	.01	1.00	-99.0	27.4	.34	3.0	—	3 mos.	03-85	128.2	2.0	1.3	-76.8	.04	-76.5	128.2	2.0	1.3	-76.8	.04	-76.5
DLites Of Amer M	8.13	-.88	-9.7	9.25	7.75	15.50	7.75	3,747	7.36	3.48	111.5	62.5	.00	.0	—	fiscal	03-85	4.0	185.7	.2	NC	.04	100.0	11.5	98.3	.5	150.0	.13	44.4
Dunkin Donuts M	24.50	-.13	-.5	24.75	24.00	25.38	14.84	1,185	1.65	2.32	-28.9	17.5	.24	1.0		9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico M	12.00	.13	1.1	12.13	11.88	12.50	7.25	364	.78	2.18	-64.2	14.1	.00	.0	—	fiscal	05-85	27.7	43.5	1.2	33.3	.27	35.0	89.5	16.2	3.9	8.3	.85	6.3
El Pollo Asa O	4.13	-.25	-5.7	4.50	4.13	6.34	1.84	482	2.86	4.32	-33.8	NE	.00	.0		3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest N	18.00	1.00	5.9	18.00	16.75	19.25	10.63	1,143	1.03	1.03	.0	16.7	.00	.0	—	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest M	2.50	-.06	-2.4	2.56	2.44	4.63	1.63	293	.49	1.30	-62.3	NE	.00	.0	—	3 mos.	03-85	16.3	-4.7	.4	NE	.07	NE	16.3	-4.7	.4	NE	.07	NE
Fast Food Oper O	.75	.00	.0	0.88	0.75	1.31	.63	225	.38	.53	-28.3	25.0	.00	.0	—	fiscal	12-84	2.0	25.0	.0	-100.0	.00	-100.0	8.0	31.1	.2	-33.3	.03	-50.0
Flakey Jakes M	3.88	-.13	-3.1	4.00	3.88	8.25	3.50	2,848	4.10	2.96	38.5	NE	.00	.0	—	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest O	2.25	.00	.0	3.00	2.25	7.38	2.25	5	.03	.27	-88.9	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	-100.0	1.7	88.9	(.3)	NC	(.18)	-100.0
Fresher Cooker O	.38	.00	.0	0.63	0.38	6.38	.25	20	.09	1.02	-91.2	NE	.00	.0	—	3 mos.	03-85	.7	-22.2	(.2)	NE	(.15)	NE	.7	-22.2	(.2)	NE	(.15)	NE
Frisch's A	23.25	-.75	-3.1	24.00	23.25	26.00	14.50	66	.15	.19	-21.1	20.2	.22	.9	—	fiscal	05-85	32.2	-.6	1.7	-10.5	.39	-7.1	129.0	4.0	5.0	2.0	1.15	3.6
Fuddruckers Inc M	8.00	-.13	-1.5	8.63	7.88	15.13	6.00	1,978	2.93	3.29	-10.9	47.1	.00	.0	—	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco O	.31	-.13	-28.6	0.44	0.31	3.13	.25	273	.92	.86	7.0	NE	.00	.0	—	fiscal	02-85	.1	-75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	14.50	.00	.0	15.00	14.50	15.25	10.50	1	.01	.46	-97.8	7.4	.00	.0	—	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger M	5.88	-.25	-4.1	6.25	5.75	6.25	3.63	875	3.01	2.30	30.9	NE	.00	.0	—	9 mos.	05-85	20.7	-3.3	(.4)	-100.0	(.13)	-100.0	49.6	-5.3	(.9)	-100.0	(.29)	-100.0
Intl Dairy Queen O	62.00	2.00	3.3	65.50	60.00	65.00	39.00	18	.09	.15	-40.0	15.2	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	-90.5	1.54	40.0	75.6	15.1	3.9	-88.3	1.92	35.2
Intl King Tab M	19.25	.25	1.3	19.25	19.00	24.75	15.25	317	1.10	2.00	-45.0	12.7	.00a	.0	—	fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB's Rest M	13.38	.00	.0	13.63	13.00	15.50	9.09	1,802	3.90	4.72	-17.4	17.6	.16	1.2	—	9 mos.	06-85	32.8	47.7	.9	-10.0	.24	-14.3	69.5	42.7	1.8	-5.3	.48	-9.4
Jerrico Inc M	22.13	2.13	10.6	22.50	20.00	22.50	14.25	14,595	9.24	3.32	178.3	15.7	.12	.5	—	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp A	3.88	.13	3.3	3.88	3.63	4.38	1.13	140	.57	1.51	-62.3	4.4	.00	.0	—	6 mos.	03-85	5.6	-12.5	(.1)	NE	(.06)	NE	10.8	-.9	3.8	NE	1.61	NE
Karcher Carl M	16.25	.75	4.8	16.50	15.50	29.13	13.50	1,013	1.43	1.90	-24.7	14.6	.00	.0	—	3 mos.	04-85	95.5	-2.7	.8	-82.2	.11	-82.8	95.5	-2.7	.8	-82.2	.11	-82.8
Kelly-Johnston O	.25	-.06	-20.0	0.31	0.19	4.88	.19	1,509	1.77	1.03	71.8	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	-100.0	.44	193.3	60.3	93.9	(13.5)	-100.0	.00	-100.0
Lifestyle Rest A	1.63	-.13	-7.1	1.75	1.50	3.50	1.50	146	.26	.35	-25.7	NE	.00	.0	—	6 mos.	04-85	24.6	-12.1	(1.7)	NE	(.29)	NE	41.7	-11.7	(4.2)	NE	(.73)	NE
Luby's Cafe N	36.00	3.50	10.8	36.13	32.88	37.38	26.38	542	.45	.44	2.3	23.2	.60	1.7	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	18.00	.38	2.1	18.00	17.50	19.13	13.88	138	.27	.28	-3.6	11.3	.30	1.7	—	fiscal	05-85	40.9	3.5	2.6	13.0	.50	13.6	131.8	4.0	8.2	10.8	1.60	11.1
Marriott Corp N	96.63	2.50	2.7	97.75	94.00	100.00	70.00	1,145	.44	.61	-27.9	17.0	.54	.6	—	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	2.44	-.19	-7.1	2.75	2.38	6.00	2.25	453	.91	.16	468.8	81.3	.00	.0	—	3 mos.	04-85	3.1	29.2	.0	-100.0	.00	-100.0	3.1	29.2	.0	-100.0	.00	-100.0
Max & Erma's O	2.63	-.13	-4.5	3.13	2.63	4.75	2.50	5	.03	.14	-78.6	NE	.00	.0	—	6 mos.	04-85	3.8	-13.6	.0	NE	.02	NE	8.6	-2.3	.1	NE	.05	NE
McDonald's Cp N	64.13	-.25	-.4	65.38	64.00	70.00	48.50	8,760	1.02	.99	3.0	13.8	.90	1.4	—	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures M	10.75	-.25	-2.3	11.00	10.75	12.25	9.75	66	.13	.68	-80.9	13.3	.00	.0	—	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.56	61.8
Morrison Inc M	19.88	.38	1.9	19.88	19.50	21.88	15.50	1,146	.86	1.47	-41.5	13.0	.48	2.4	—	fiscal	05-85	126.0	-1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak O	1.50	-.13	-7.7	1.63	1.38	3.13	1.13	690	1.86	.81	129.6	NE	.00	.0		9 mos.	06-85	7.0	-59.1	(.5)	NE	(.11)	NE	21.8	-56.2	(.6)	NE	(.14)	NE
Nankin Express O	.50	-.13	-20.0	0.81	0.50	2.38	.50	318	1.41	.96	46.9	NE	.00	.0	—	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans M	4.38	.44	11.1	4.38	3.63	4.50	2.00	678	3.04	.89	340.6	13.7	.05	1.1	—	fiscal	03-85	4.5	9.8	(.2)	NE	(.07)	NE	21.7	8.5	.7	75.0	.32	68.4
Nall Pizza M	12.38	.00	.0	12.75	12.38	12.88	7.50	760	1.37	.92	48.9	16.7	.00	.0	—	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc M	5.00	-.13	-2.4	5.25	4.75	9.75	4.50	1,189	2.62	2.14	22.4	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	7.25	-.13	-1.7	8.00	7.25	8.50	5.94	41	.34	.37	-8.1	42.6	.00	.0	—	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	-100.0	4.7	4.4	(.1)	NC	(.11)	-100.0
1 Potato 2 O	.75	-.25	-25.0	1.00	0.75	6.25	.50	136	.62	.56	10.7	NE	.00	.0	—	3 mos.	04-85	3.5	-7.9	(.4)	NE	(.17)	NE	3.5	-7.9	(.4)	NE	(.17)	NE
Old Fashion Fd M	4.50	.00	.0	5.00	4.50	5.25	4.00	74	.53	.65	-18.5	7.1	.00	.0	—	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet M	7.38	-.13	-1.7	7.38	7.25	8.38	6.00	348	.94	2.57	-63.4	13.2	.13	1.8	—	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants M	.19	.00	.0	0.19	0.13	1.63	.13	671	.78	1.71	-54.4	NE	.00	.0	—	6 mos.	12-84	5.5	-69.6	(17.1)	NE	(1.97)	NE	13.8	-54.0	(20.4)	-100.0	(2.36)	-100.0
Piccadilly Caf M	21.75	-.38	-1.7	22.13	21.75	24.13	16.50	1,582	2.62	1.01	159.4	13.8	.60	2.8	—	9 mos.	03-85	44.0	2.6	1.3	-40.9	.21	-41.7	138.8	8.1	7.0	18.6	1.16	18.4



Source: Media General Financial Services

Oct. 28, 1983 = 100



	Stock Market											Financial Update																	
	Price							Volume				P/E Ratio	Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	8-23-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol. As % Out	Volume Trend Change							Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Amt.	Pct.	High	Low	High	Low	Total	% Out				Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Pizza Inn A	8.00	.63	8.5	8.00	7.25	12.75	6.88	434	1.43	.90	58.9	NM	.08	1.0		6 mos.	06-85	50.6	4.1	.3	-72.7	.10	-71.4	98.3	13.0	.4	-78.9	.14	-77.0
Po-Folks M	13.50	.13	.9	13.50	13.38	15.88	8.75	401	.91	1.27	-28.3	17.5	.00	.0	—	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys N	11.13	-.25	-2.2	11.50	11.00	21.00	10.75	406	.42	1.57	-73.2	24.7	.40	3.6	—	3 mos.	05-85	117.2	-1.3	.8	-82.2	.08	-85.5	117.2	-1.3	.8	-82.2	.08	-85.5
Primo Inc O	1.75	-.38	-17.6	2.13	1.75	4.63	1.50	151	.45	.69	-34.8	NE	.00	.0	—	6 mos.	03-85	.9	-20.0	.1	.0	.03	.0	1.8	-10.0	.2	.0	.07	16.7
RAX Restaurants M	7.13	.13	1.8	7.25	6.75	16.38	6.75	363	.53	.70	-24.3	NC	.00	.0	—	fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc A	7.75	.00	.0	7.88	7.25	9.25	5.38	444	1.57	.83	89.2	16.8	.00	.0	—	6 mos.	06-85	35.8	9.1	.6	.0	.24	14.3	69.0	9.9	.3	-50.0	.12	-42.9
Rest Mgmt M	14.75	-.25	-1.7	15.00	14.75	15.00	6.75	43	.20	1.57	-87.3	20.5	.08	.5	—	6 mos.	04-85	8.3	25.8	.5	66.7	.18	20.0	18.2	37.9	1.0	42.9	.39	21.9
Rest Systems M	15.00	-.13	-.8	15.25	14.50	16.50	11.75	106	.46	1.05	-56.2	16.5	.00	.0	—	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D M	2.13	.13	6.3	2.13	2.00	5.50	1.75	374	.72	.86	-16.3	NE	.00	.0		6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican M	15.63	-.25	-1.6	16.00	15.63	18.25	11.00	289	.95	.76	25.0	21.1	.00	.0	—	9 mos.	04-85	13.0	39.8	.6	20.0	.24	-4.0	34.5	40.2	1.1	.0	.42	-20.8
Ryan's Fam M	16.25	-.25	-1.5	16.75	16.25	19.25	11.34	345	.50	1.03	-51.5	26.6	.00	.0	—	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp N	27.25	.63	2.3	27.88	26.38	35.00	24.50	947	.72	1.46	-50.7	12.5	.52	1.9	—	fiscal	06-85	324.8	6.2	2.1	-67.2	.16	-66.7	1254.8	10.9	29.1	-6.1	2.18	-9.2
Sandwich Chef M	7.88	-.38	-4.5	8.25	7.88	9.00	6.88	5	.04	.67	-94.0	13.8	.00	.0		fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley M	5.88	-.13	-2.1	6.13	5.75	9.50	5.75	1,248	3.93	3.05	28.9	3.1	.00	.0	—	6 mos.	06-85	15.3	-7.8	.3	-81.3	.13	-68.3	29.9	-8.3	2.3	-23.3	.70	-9.1
Shoney's Inc M	27.13	-.75	-2.7	27.63	27.13	31.88	21.94	4,813	1.70	1.25	36.0	22.8	.15	.6	—	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South M	11.88	-.13	-1.0	12.00	11.63	16.59	10.00	1,257	2.23	1.61	38.5	11.0	.00	.0	—	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	-25.0	.51	-25.0
SIS Cp M	5.00	.00	.0	5.00	4.25	6.00	3.25	221	1.43	.38	276.3	NE	.00	.0		6 mos.	06-85	2.4	61.9	.0	-100.0	.03	-25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl M	16.50	.50	3.1	16.75	16.00	17.75	9.16	407	.40	.85	-52.9	17.0	.00	.0	—	fiscal	04-85	42.6	13.0	2.9	16.0	.28	16.7	159.5	11.9	9.9	23.8	.97	24.4
Skippers M	8.88	-.13	-1.4	9.13	8.88	12.50	8.88	386	1.41	1.22	15.6	9.6	.06	.7	—	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	-2.4
So Hospitality M	4.50	-.13	-2.7	4.63	4.50	5.88	4.00	819	1.64	2.48	-33.9	12.9	.00	.0	—	fiscal	05-85	9.4	-6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuf Yer Face O	.59	.00	.0	0.66	0.59	1.44	.50	370	.24	.34	-29.4	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	-100.0	(.04)	-100.0
Swensens Inc O	1.88	.00	.0	2.13	1.88	3.50	1.50	23	.04	.28	-85.7	NE	.00	.0	—	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	-100.0
Taco Villa O	6.25	.50	8.7	6.75	5.75	7.75	4.75	125	.15	.11	36.4	32.9	.00	.0		6 mos.	06-85	18.9	166.2	.5	66.7	.06	-14.3	34.1	138.5	.3	-50.0	.04	-73.3
Taco Viva M	4.63	-.25	-5.1	4.88	4.63	7.50	4.63	266	.79	1.09	-28.4	13.6	.00	.0	—	9 mos.	02-85	5.5	-6.8	.3	-25.0	.10	-9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	10.00	.25	2.6	10.13	9.88	12.38	7.88	158	.14	.77	-81.8	14.5	.00	.0	—	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	-11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas O	2.00	.00	.0	2.50	2.00	2.38	2.00	12	.06	.10	-20.0	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs M	23.75	3.38	16.6	23.75	20.25	23.75	3.28	4,459	10.23	3.87	164.3	66.0	.00	.0	—	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld N	38.88	-.13	-.3	39.25	38.38	41.13	28.00	4,458	1.25	1.71	-26.9	12.9	.48	1.2	—	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	-7.1	1009.5	4.3	47.1	-4.3	1.19	-9.8
USACafes M	5.31	-.19	-3.4	5.50	5.13	6.00	3.13	2,205	3.51	3.09	13.6	15.2	.28	5.3	—	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	-10.3
Vicorp Restaurants M	24.00	1.75	7.9	24.38	22.25	28.25	13.25	2,150	2.56	3.62	-29.3	20.0	.12	.5	—	6 mos.	04-85	85.8	61.0	1.4	-30.0	.17	-43.3	192.5	121.3	2.8	-9.7	.34	-26.1
Victoria Stations M	2.75	-.25	-8.3	3.00	2.63	6.00	2.13	500	1.10	1.96	-43.9	NE	.00	.0	—	fiscal	03-85	20.3	-14.0	(2.2)	NE	(.62)	NE	93.8	-7.3	(5.9)	NE	(1.67)	NE
Wendys Intl N	16.63	-.13	-.7	17.00	16.38	19.13	12.19	7,172	.98	1.18	-16.9	16.6	.21	1.3	—	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer M	12.00	1.00	9.1	12.00	11.00	12.00	9.00	45	.37	.34	8.8	19.7	.20	1.7	—	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp N	5.88	-.13	-2.1	6.13	5.75	11.88	5.13	181	.45	.81	-44.4	NM	.00	.0	—	6 mos.	06-85	28.0	-.4	.2	-75.0	.06	-66.7	51.9	-1.0	(.4)	-100.0	(.10)	-100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	2.00	-.13	-5.9	2.13	2.00	5.13	1.88	1,498	1.06	.80	32.5	NE	.10	5.0	—	6 mos.	06-85	61.9	-9.4	(13.8)	NE	(.97)	NE	128.7	-9.0	.1	NE	.01	NE
Hilton Hotels N	60.00	.13	.2	60.38	59.00	77.50	49.38	2,203	.89	.68	30.9	12.6	1.80	3.0	—	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp N	50.75	-1.13	-2.2	52.25	50.75	54.13	35.25	2,385	.88	1.26	-30.2	12.1	1.00	2.0	—	6 mos.	06-85	470.3	3.7	32.2	-7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn N	33.13	.38	1.1	33.75	31.63	35.13	16.13	1,426	.74	1.03	-28.2	29.3	.09	.3	—	9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns N	8.88	.75	9.2	9.50	7.75	3.50	5.13	50,721	13.63	3.26	318.1	NM	.00	.0	—	3 mos.	03-85	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0	137.5	-4.3	(1.6)	-100.0	(.04)	-100.0
Servico Inc M	20.13	.13	.6	20.50	20.00	21.38	13.44	46	.12	.42	-71.4	14.0	.00a	.0	—	3 mos.	03-85	42.0	-2.1	.1	-88.9	.04	-83.3	42.0	-2.1	.1	-88.9	.04	-83.3
Sonesta Intl M	23.00	.00	.0	25.50	23.00	27.00	18.50	22	.14	.05	180.0	7.7	.40	1.7	—	3 mos.	03-85	12.0	-13.7	(2.1)	NE	(1.85)	NE	12.0	-13.7	(2.1)	NE	(1.85)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev M	17.88	-.88	-4.7	18.38	17.63	22.63	15.25	2,565	4.27	1.64	160.4	NE	.40	2.2		fiscal	03-85	129.6	NC	(5.6)	NE	(.90)	NE	495.6	346.5	(1.7)	-100.0	(.28)	NE
Arden Intl O	2.25	-.13	-5.3	2.50	2.25	2.75	1.13	146	.62	.60	3.3	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Ch Full O Nut N	8.13	.00	.0	8.25	7.88	11.41	7.03	257	.53	.60	-11.7	NM	.00a	.0	—	9 mos.	04-85	29.9	4.2	.1	-66.7	.02	-66.7	87.1	.2	.4	-60.0	.09	-57.1
Disney, Walt N	88.50	.50	.6	89.88	88.00	95.00	53.63	2,737	.83	1.74	-52.3	50.0	1.20	1.4	—	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills N	55.38	-.75	-1.3	56.88	55.13	64.00	47.75	2,850	.64	1.20	-46.7	32.8	2.24	4.0	—	9 mos.	02-85	354.8	-73.6	(74.1)	-100.0	(1.64)	-100.0	3300.6	-22.2	35.6	-81.5	.79	-80.6
Grace W R N	43.00	-.75	-1.7	43.88	42.75	45.00	38.50	2,827	.58	1.03	-43.7	12.5	2.80	6.5	—	6 mos.	06-85	1908.8	9.6	41.4	-28.0	.83	-29.7	3488.8	7.7	76.9	-25.6	1.55	-26.9
Horn & Hardart A	8.88	.25	2.9	9.13	8.63	14.50	7.88	785	.63	1.09	-42.2	NM	.00a	.0	—	6 mos.	06-85	91.3	-2.6	(1.7)	-100.0	(.15)	-100.0	173.6	-3.6	(1.7)	-100.0	(.16)	-100.0
Ogden Corp N	31.63	.13	.4	31.88	31.25	34.25	24.13	1,107	.58	.90	-37.6	18.2	1.80	5.7		6 mos.	06-85	NC	NC	5.4	-53.0	.27	-55.0	502.3	-53.8	17.4	-25.0	.90	-25.6
PepsiCo Inc N	58.88	1.50	2.6	59.38	57.25	60.50	39.88	8,393	.89	1.69	-47.3	10.6	1.78	3.0	—	6 mos.	06-85	1880.8	-.3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co N	51.88	.75	1.5	52.25	51.00	56.63	36.63	4,163	.96	.93	3.2	12.3	1.56	3.0	—	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	-17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec O	3.50	.00	.0	4.00	3.50	4.50	3.50	1	.01	.08	-87.5	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	-100.0	1.1	57.1	(.1)	NC	(.03)	-100.0
Reynolds, RJ N	26.50	-.38	-1.4	27.63	26.00	35.00	24.44	22,284	.88	1.25	-29.6	8.2	1.40	5.3	—	6 mos.	06-85	3404.0	31.0	228.0	-14.3	.86	-3.4	6302.0	34.4	410.0	-5.1	1.52	7.0
Vie de France M	9.75	-.13	-1.3	9.75	9.50	14.75	8.13	785	.73	1.51	-51.7	16.5	.23	2.4	—	9 mos.	03-85	18.8	16.8	1.5	-11.8	.15	-11.8	48.5	20.3	4.5	9.8	.42	2.4

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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Italian prosciutto returning to U.S.
Ban may be lifted/Page 11

Pillsbury's deal of the century
Telberg On Finance/Page 72

Michael Weinstein

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4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

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Morrison opens new concept

Bakery, takeout at casual themer

By Mark Schoifet

ATLANTA — Morrison, branching out from its cafeteria-chain base into specialty restaurants, is opening a new casual-theme prototype that targets a 25-and-older "post-fern bar" customer base.

The 200-seat restaurant, called Sadie Lane's, is the first prototype developed by Morrison's Restaurant Concept division, formed a year ago to tap "the marketplace after they have outgrown the fern bars," according to senior vice president Dan Roberts.

"That seems to be the niche that we were missing as a company," Roberts said.

The Sadie Lane's restau-

(See ***MORRISON'S****, page 69)*

Baltimore's Harborplace, above, and Tampa's Harbor Island, below; sales for many are far below projections.

Hard times hit festival markets

Disillusioned feeders pull out

By Marilyn Alva

All is not well with festival marketplaces, those suburban-style eating and shopping malls that are appearing on urban waterfronts and in downtown sections of New York, Tampa, New Orleans, Toledo, Detroit and other cities.

Many restaurant operators and food vendors complain bitterly about high rents and maintenance fees, seasonal lulls, stiff competition and overly optimistic traffic projections by developers.

At South Street Seaport in lower Manhattan, two sit-down restaurants have filed for protection from creditors under Chapter 11 of the Federal Bankruptcy Code. A number of smaller vendors have left, including a pasta and cheese operation, a cookie shop, a croissant stand, a breakfast nook, a sausage outlet, a noodle house and a chicken and ribs unit.

At Waterside in Norfolk, Va., several mom-and-pop operators have failed and high rents and common costs are leading other merchants to talk about doing the same.

Sales at Harbour Island in Tampa, Fla., have dropped 35% to 40% since opening week festivities in June and week night business is "generally the pits," reported Robert Keilt, president of California Smoothie.

There is even trouble at established Faneuil Hall in Boston. "The whole marketplace seems to die in winter," said

(See ***FESTIVAL****, page 22)*

'Suddenly, cheap is chic'

Sluggish sales spawn heavy discounting

By Rick Telberg

Under intense pressure to boost sagging traffic counts, the nation's restaurant operators are waging a new discounting war marked by isolated outbreaks of outright price reductions.

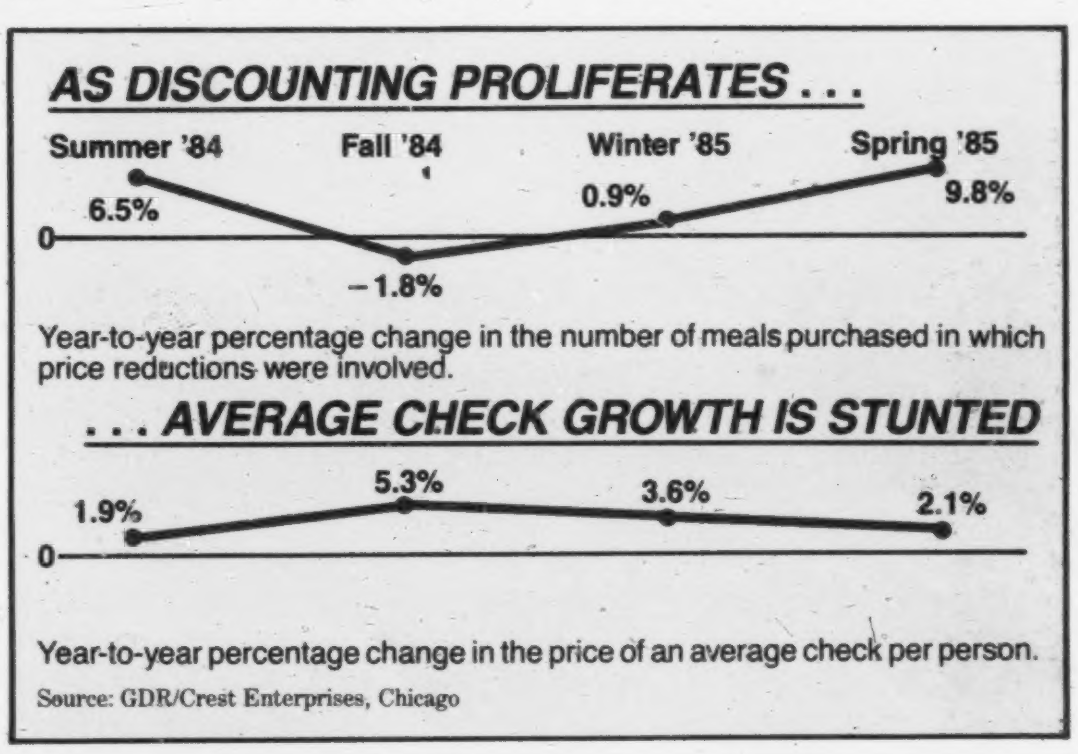
In recent months, chains such as Fuddrucker's, G. D. Ritzy's and Steak n Shake have cut prices to spur sales. Results have ranged from initial success to outright failure.

Analysts say price-off coupons and discount meal packages, a new device typified by McDonald's Value Pack, are proliferating at their fastest rate in at least a year. In addition, a new McDonald's ad campaign touts its breakfasts as inexpensive.

The pressure to offer new, low-priced products has spread even to swank white-tablecloth establishments, whose owners are spinning off downscaled cafe concepts, according to analysts.

"Suddenly, cheap is chic," said Ron Paul, president of Technomic Consultants Inc., a

(See ***DISCOUNTS****, page 69)*



Year-to-year percentage change in the number of meals purchased in which price reductions were involved.

Year-to-year percentage change in the price of an average check per person.

Source: GDR/Crest Enterprises, Chicago

Tex-Mex menu switch 'saves' L.A. restaurant

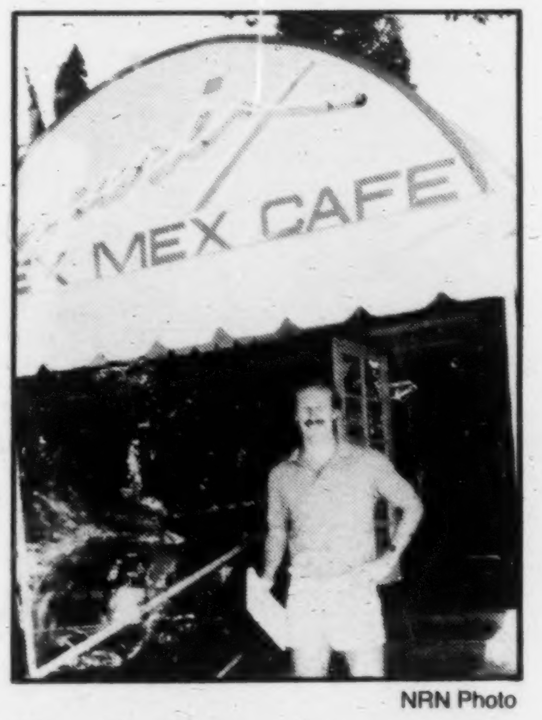
By Richard Martin

WEST HOLLYWOOD, Calif. — The impending failure of Marix, their first restaurant venture, galvanized attorney Vicky Shemaria and croissant-shop entrepreneur Mary Sweeney into action. In a critical two-week span following a hurried cooks' tour of San Antonio, the partners swapped filet for fajitas, baguettes for tortillas, linen for formica and cold banana mint soup for "charra" beans.

They purged their menu of California-accented pâtés, sautés and mousses and installed chili, chicken, fried steak and chimichangas. On an obscure side street off Santa Monica Boulevard, the eight-month-old Marix became Marix Tex-Mex Café in an abrupt and risk-fraught transformation.

But the flip-flop from French fare to fajitas, from peach bow ties to silver-

(See ***MARIX****, page 69)*



NRN Photo

Ken Moulton, general manager, at the front entrance

Whataburger rolls out chicken, tests salads

By David Zuckerman

CORPUS CHRISTI, Tex. — While the major national hamburger chains go toe-to-toe in an all-out marketing slugfest, Whataburger has quietly staked out a solid niche in the Southwest on the strength of its made-to-order burgers and breakfast program.

The 350-unit regional chain now is reaching beyond its largely working-class customer base with the rollout of a chicken breast sandwich and the initial testing of a preportioned salad—products geared to the burgeoning "Yuppie" population that is springing up in urban areas.

In addition, Whataburger has opened two units at the Naval Air Station here—its first venture onto military bases—and is experimenting with a scaled-down express

(See ***WHATABURGER****, page 12)*

Serpe's Small Feast caters big business

Targets sixfold sales boost

By Peter Romeo

NEW YORK — Angelo Serpe, the award-winning former chef of The Sign of the Dove restaurant here, has teamed up with two food-service newcomers to turn a 600-sq.-ft. catering-and-takeout business into an operation with the capability of serving 1,000 meals a day.

In addition to catering businesses and parties and serving The Small Feast's present takeout clientele, Serpe and partners Josephine and Phyllis Scicchitano plan to sell their sauces and baked goods via a chain of gourmet shops called A&S Fine Foods.

When the expansion of The Small Feast's market scope is completed, Josephine Scicchitano said, the storefront outlet should gross $2 million annually, or about six times the $350,000 it currently generates in yearly sales.

"We have endless possibilities," said Serpe, who joined The Small Feast earlier this summer.

Serpe currently prepares The Small Feast's 33 entrees, which range from Long Island roast duckling to a sandwich of babaganou on pita bread, in the Upper East Side outlet's tiny kitchen.

"We do about 150 meals a day right now," Serpe said. "With the new kitchen"—a 1,900-sq.-ft. facility about to open at presstime in Brooklyn, about nine miles from The Small Feast—"we could easily do 1,000 meals a day."

Serpe will operate the new kitchen, preparing the dishes and shipping them via truck to The Small Feast and, eventually, to other outlets the Scicchitano sisters plan to open throughout the city.

The Brooklyn facility will also enable The Small Feast to expand its catering operations.

NRN Photo

Phyllis Scicchitano, left, and sister Josephine.

"The most we can handle right now is dinner for about 20 [people]," said Phyllis Scicchitano. "We don't want to get into large groups because right now our store is too small. We only have 600 sq. ft., including the kitchen."

The Scicchitano sisters expect much of their increased catering business to be generated by referrals from the young professionals who stop at The Small Feast on their way home from work for a complete takeout dinner.

"We get single people who don't want to cook or couples that have company coming that night—pretty much everybody," said Phyllis Scicchitano. "We have strong word-of-mouth. We've never done any advertising."

A complete takeout dinner for two costs an average of $25, according to Josephine

*(See **SERPE**, page 12)*

Callender's may go public before being sold

By Richard Martin

NEWPORT BEACH, Calif. — Because recent merger negotiations have apparently collapsed, the 119-unit Marie Callender's pie shop-restaurant chain will probably go public before it is ever sold, "but not for two years," owner Don Callender told *Nation's Restaurant News*.

Callender thus clarified recent press reports which said he was poised to sell the chain to one of several suitors for $90 million in cash and stock. He also revealed during an interview at his home-base Marie Callender's unit here that he recently spurned a $90 million leveraged-buyout bid by Marie Callender's executives, who were backed by E. F. Hutton.

As previously reported, Callender has been discussing a possible merger with unidentified companies. "But I haven't had any realistic offers," the 57-year-old foodservice maverick explained, describing all recent negotiations as "unproductive."

Callender conceded that a prominently placed article in the Aug. 26 *Los Angeles Times*, which discussed his proposed $90 million price tag, may have conveyed the impression that a sale was imminent. "I just hope it [the article] builds food sales," he said. (The *Times* article was picked up widely by other media, particularly on the West Coast.)

The Marie Callender's chain, half company-owned units and half joint ventures and franchises, has been experiencing a relatively flat year, according to Callender. The Long Beach, Calif.-based corporation netted $4.9 million on systemwide sales of $175 million last year, after netting $4.5 million on sales of $155 million in 1983.

Among the potential buyers

*(See **CALLENDER'S**, page 69)*

Bigger grain yield may spell lower meat prices

***NRN* Special Report**

In mid-August, the U.S. Department of Agriculture released its forecast for the country's grain crops this year. From the standpoint of farmers, it was not good news. But for foodservice operators, it might mean the continuation of low red meat and poultry prices into next year.

Commodities

The USDA predicted bumper crops of all feed grains and record harvests for corn, sorghum (milo) and barley. The Midwest growing areas are getting plenty of rain this summer, and this could mean bigger yields than normal. This, combined with a poor outlook for grain exports, could result in a glut of feed grains and force prices still lower, meaning lower feed costs for meat producers.

The government forecast 8.27 billion bushels of corn, which could drive corn prices down another 10% by the end of the year. This would be 24% less than two years ago. So many farmers planted sorghum this year that there should be 1.05 million bushels, forcing prices to drop 35%-45% less than last season. Barley is expected to drop nearly 15% in price from two years ago.

The nation's wheat crop was forecast to be 8% less than last year. With a drop in exports of about 15%, however, wheat stockpiles should be even larger than last year, with prices dropping about 10% from last season. The strong dollar has made U.S. grain less competitive on world markets, curtailing opportunities for exporting the surplus.

This glut of grain, which may result in a shortage of storage facilities, should keep meat prices low well into next year, assuming producers continue to move animals to feedlots. Hog and poultry prices should directly benefit from the lower costs of feeding because both have short gestation and raising periods. However, beef producers cannot turn around their current herd-thinning policies as quickly.

PRICE MOVEMENT AT A GLANCE

	Aug. 26, 1984	July 26, 1985	Aug. 26, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$0.98	$0.80	$0.79
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.5721	$0.5116	$0.5620
Cod, frozen, block & slab, imported, Boston (lb.)	$0.95-$0.98	$1.06-$1.07	$1.08-$1.09
Corn, Fancy whole kernel, NW (6/10)	$12.25	$10.75-$11	$10
Eggs, Grade A, large white, Chicago (doz.)	$0.65	$0.58-$0.61	$0.69-$0.72
Lettuce, iceberg, No. 1, Calif. (24s)	$6-$8	$4-$5	$4-$5
Pepper, black, NYC (lb.)	$1.05	$1.88	$1.75
Peppers, bell, large, No. 1, Calif. (30 lb.)	$4.50-$5	$8-$9	$5-$5.50
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$0.99	$0.79	$0.89
Scallops, frozen, 30/40 count, Canadian, Boston (lb.)	$5.80-$5.85	$4.75-$4.85	$4.90-$4.95

Source: *NRN* research

The biggest deterrent to beef herd rebuilding is the cash bind that most cattle producers find themselves in. It takes money to increase herds, but banks, stung on farm loans, are hesitant to lend the amounts of capital needed to replenish herds.

A major factor in keeping beef prices low is the continued large number of overweight animals on feedlots, being held back by feeders in hopes of getting better prices when the demand for beef again starts to rise seasonally later this month.

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Japan Diamond-Friedman Ltd., Chain Store Age News Japan 1-4-2 Kasumigaseki, Chiyoda-ku, Tokyo, Japan, 504-6750

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Slow sales spawn discounts

(Continued from page 1)

Chicago market research concern.

"There hasn't been much growth in real incomes. And what people are earning, they are spending on their homes. With conditions like that, people in the industry have to be experimental to get traffic," he said.

The pressure on prices will not abate, analysts and executives say, until the nation's economy revives from its doldrums. And even then, it may not alleviate entirely, said Ben Crabtree, a stock analyst at Dain, Bosworth & Co. in Minneapolis.

"Consumers came through the last recession with a lot more of a permanent concern with price," Crabtree said. "They didn't trade back up when recovery came."

Technomics' Paul noted that a number of West Coast restaurateurs were launching downscaled concepts that offer stylish food at a fraction of the price at the original concept. He cited La Scala's La Scala Pronto, Le Dome's Cafe Colorado and Valentino's Primi, all in Los Angeles.

George Rice, president of GDR/Crest Enterprises, another Chicago market researcher, said the number of meals purchased this spring with the aid of a discount rose to 11.1% of all meals, or 9.8% over the year-ago level.

"I think we'll see another near-double-digit increase when the summer data are in," Rice said.

The round of heavy discounting, he said, held check averages to a stunted 2.1% rise this spring, after a healthy 5.3% annual gain in late 1984 when dealing activity actually declined 1.8% year-to-year.

Fuddrucker's, the chain of 80 hamburger restaurants based in San Antonio, Tex., recently trimmed 50¢ off its ½-lb. burger, to $3.35, and 60¢ off its new ⅓-lb. burger, to $2.65.

"The per-person ticket average dropped to about $4.80 from $5.25," said Fuddrucker's chairman William Baumhauer. "But we're finding a dramatic increase in sales."

G. D. Ritzy's, the Columbus, Ohio-based chain of 90 burger and ice cream restaurants, cut dessert prices 18% in its home market, and 14% in Pittsburgh and Cincinnati beginning last December.

But it took until last month for chairman Graydon D. Webb to be able to report that margins had snapped back into line.

At Indianapolis-based Steak n Shake, a 114-unit chain of hamburger restaurants, margins never snapped back. The program to cut prices at some stores and halt increases at others resulted finally in a $145,000 quarterly loss before it was abandoned.

"We were giving money away and we didn't see the increases we needed in customer counts or sales to cover the additional costs," said Steak n Shake president James Williamson Jr.

But the new surge of price cutting, many of the same analysts warn, comes at a time when pricing is becoming one of the least important elements in a restaurant's success or failure.

"They are fiddling with prices," said Carl DiBiase, whose Middletown, N.J., concern Restaurant Trends Inc., tracks sales at about 100 chains. "But the single most important factor in sales trends is still store-level management."

Morrison opens new themer

(Continued from page 1)

rant, scheduled to open Sept. 23, is a freestanding unit located adjacent to the Gwinnet Place Mall here. It will offer American food, including some Cajun dishes, in a nostalgic decor that recalls Williamsburg and Victorian architectural styles, Roberts said.

The focal point of the restaurant is an open bakery with a retail food counter located directly in front of the main entrance. The counter, with an etched glass backdrop, will sell made-on-premises pies, ice cream and bread to diners as well as take-out customers. The company is targeting 5% to 6% of gross sales for take-out business.

The average check for lunch and dinner is expected to be $7.50, which would place it in a lower category than traditional casual themers such as Bennigan's and T.G.I. Friday's. Although the food will be basic American and the desserts and bread fresh-baked, Sadie Lane's will not be in the "country kitchen" category with Po' Folks and other similar restaurants, according to Roberts.

"There's nothing hokey or country about it," Roberts said. "It's very classical. That's one way to put it."

Sadie Lane's does not feature an open bar, but a selection of specialty drinks is listed on the menu. Morrison is projecting alcoholic beverages will account for between 10% and 12% of gross sales. This compares with 25% at Morrison's Ruby Tuesday casual-theme chain, which draws a crowd younger than Sadie Lane's target customer base.

Roberts projected food costs of 33% and labor costs—there are 75 employees—at a below-average 17.5%. The company plans to keep menu prices stable during the opening months.

Morrison is not using radio or television to advertise the opening. But the company is getting out the message through direct-mail and print ads and flyers delivered by hand to nearby office parks and hospitals.

Morrison, based in Mobile, Ala., operates 155 units in its cafeteria division and 39 casual themers in its Specialty Restaurant division.

Marix switches to Tex-Mex

(Continued from page 1)

clasped string ties and from Meursault and Margaritas has meant the difference between *noche* and *dia* for Shemaria and Sweeney.

They currently serve some 300 "Texican" dinners and 100 lunches each day in their neon-lit cantina, compared to the meager weekly tally of 130 dinners and 100 lunches they had sold in its former French incarnation.

Overflow crowds of casual diners now gladly ensure Marix's no-reservations policy, sipping fruit Margaritas, Texas punch or bloody "tequila Marias" while waiting to occupy the 85 seats set at 29 tables under a retractable canopy roof. Prices are moderate, and customers prefer the restaurant's more casual style, said general manager Ken Moulton.

"I can tell that nouvelle cuisine is fading fast," Moulton remarked. "You wouldn't believe the number of former French restaurant waiters I get here applying for a job."

Monthly sales since reopening in February have soared from $40,000 to over $120,000 in July. To cap Marix's impressive turnaround, a new larger branch operation at the beach is being readied for a November debut. The new place will feature seating for 150, a $15,000 automatic tortilla machine and a broader menu.

Currently, Marix's per-person tabs, including liquor, average $8 at lunch and $12 at dinner. Food and labor percentage costs run 20% and 25%, respectively. The restaurant still manages a 25%-30% food cost on sizzling fajitas (60% of all sales) despite the inflation of skirt steak from $1.10 a pound to about $2.15 a pound in the seven months since Marix reopened. (Heavy exports of skirt steak to Japan precipitated the price hikes, according to Moulton, a veteran of the McFly's and Grand American Fare chains.)

For $6.96 diners get a full ½ lb. of fajitas steak strips, redolent of a lime-garlic marinade, served sizzling on a black-iron platter with grilled onions, hot flour tortillas, guacamole and pico de gallo salsa. Half orders are $4.35.

Food margins are nicely enhanced by heavy sales of Margaritas (90% of all bar sales), featuring rotating daily flavor specials including blueberry, fresh mango, peach, strawberry and raspberry. (The traditional lime-flavored Margarita still accounts for two-thirds of Margarita sales.) Three sizes of the slush libation cost $4, $2.75 or $1.50; pitchers are $9. A "Kick Ass" margarita, made with premium tequila, runs $2.25 for a single and $4.25 for a double.

Marix offers its eight "Texican" dinners to complement standards like nachos, quesadillas, burritos and $4.95 combos of such items as enchiladas, tacos (soft or crisp) and chiles rellenos.

"Texican" specialties (with rice and beans) include carne guisada, beef tips with country gravy ($5.95); carne Tampiqueña, an 8-oz. charbroiled rib-eye with a green chicken enchilada and guacamole ($7.95); chicken fried steak, an 8-oz. cube steak with mashed potatoes and gravy ($4.95); a chocolate-and-spice-accented chicken mole ($6.25) and chile verde, diced pork simmered in tomatillo sauce ($5.75).

A survivor, the revamped Marix enjoys the marketing distinction of Tex-Mex in competition with the hundreds of other south-of-the-border restaurants in Los Angeles. Sizzling fajitas are at the core of its down-home, Texas-accented menu, instead of being the recent menu addition the dish is almost everywhere else.

And Marix occupies its niche virtually uncontested by local competition. Jake Ptasznik, owner of the high-grossing Orleans Cajun-Creole restaurant in west Los Angeles, considered the Tex-Mex option before he opened Orleans 10 months ago. Marilyn and Harry Lewis, owners of the Hamburger Hamlet chain, bought a local Tex-Mex concept called Armadillo Bistro some time ago for development, but have not yet rolled it out.

HoJo repositions restaurant

(Continued from page 2)

rial Group PLC. The London-based conglomerate noted in its 1984 annual report that "the [Howard Johnson] Division's lodging and hotel operations were again the major profit contributor," while "Howard Johnson restaurants showed a further decline despite much improved menus and service."

Conversion of the Asheville lodge and restaurant into the new hotel concept began in late February. A freestanding guest-registration building was razed, and the 100-seat orange-roof restaurant was gutted to provide space for a new front desk and lobby, meeting room, restaurant and lounge.

A porte cochere was added to the front of the lodge, and the grounds were relandscaped to give the whole plot more of a residential feel, the company said.

"A soft residential look" was also given to the guest rooms. The 68 units were retrofitted with a new furniture, fixtures and equipment (FF and E) package done in hunter green and rust color scheme.

About one-fourth of the rooms were converted into the Executive Section, where better-appointed rooms and extra amenities are provided, at a slightly higher rate, for business travelers.

Craig Alberghini, general manager of the Asheville property, said "our regular guests are enthusiastic about the changes." The renovation was the first one in 16 years for the facility.

The Asheville property's limited food-service operations and residential design position it as one of the many "rooms-only" concepts, such as Courtyard by Marriott, Wyndham Garden Hotels or Royce Inns, currently entering the midpriced lodging market.

Fisher noted that the Howard Johnson hotel concept still under development will also be "more of a residential-style property."

At the time Howard Johnson unveiled its new concept in Asheville, many in the hotel and food-service industries were reporting that a sale of the company to a partnership of Marriott Corp. and Prime Motor Inns was imminent.

Observers close to the negotiations between Marriott, Prime and Imperial said Marriott intends to convert orange-roof Howard Johnson restaurants to Big Boy outlets where Big Boy is not well represented, while Prime will run Howard Johnson's lodges and Plaza-Hotels.

Howard Johnson, also the parent company of the Ground Round restaurant chain, reported sales of $530.4 million for 1984.

Callender's may go public

(Continued from page 4)

generally mentioned in connection with his chain, Callender dismisses W. R. Grace & Co., Pillsbury ("too busy with [recently acquired] Diversifoods") and General Mills, a one-time suitor which has recently been divesting its own restaurant chains.

Accor, the French hotel-restaurant conglomerate which bought the locally based Seafood Broiler chain in 1983, once offered a cash sum to buy part of Marie Callender's and help take the chain public, Callender said. Greyhound Food Management also tried to acquire the chain last year, he noted. McDonald's Corp. is another unrequited suitor.

Callender said the LBO attempt by his own executives a few months ago failed because only half of the $90 million offer was in cash.

But Callender dismisses virtually all past offers as unrealistic. "They like to get you in their office and ask, 'What do you think you'd sell for?' But these guys will steal your goddamn hubcaps if they get the chance," the irascible pie mogul remarked.

("Most executives who run those companies don't make any more [money] than I do," Callender declared in an interview last December. "And I still get to take depreciation of $800,000 year on my Lear jet.")

NRN stock index slips 0.4 to 127.4; winners edge losers

NEW YORK — Although issues advancing in price outnumbered decliners for the first time in several weeks, the *Nation's Restaurant News* Food-Service Operators Stock Index dropped 0.4 points in the week ended Aug. 30 to close at 127.4.

On *NRN*'s complete, 116-issue listing, which includes lodging and diversified companies, 49 issues gained in price, while 38 declined and 29 were unchanged.

The Dow Jones Industrial Average, meanwhile, rose 15.69 to close the week at 1,334.01. Some analysts cited takeover speculation and strong advances in two major blue-chip stocks as reasons for the increase.

Thirty-seven stocks traded higher than their previous 12-week averages, while 79 traded lower. Rusty Pelican had the biggest volume surge: 146,400 shares changed hands, 346.6% higher than the average.

Rusty Pelican reported that net profit for the year ended July 28 jumped 26%, to $2.3 million, compared with the figure last year.

Cucos was the second biggest volume surger, as 32,100 shares were traded, 330.2% higher than the average. Cucos was also the highest percentage price gainer, up $1.75, to $7.

Only two issues closed at 52-week highs in the week: A & M Food Service, a Pizza Hut franchisee, up 13¢, to $7.25, and Western Steer, up $1, to $13.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Rusty Pelican	M	346.6	A&M Food Svcs	M	78.6
Cucos Inc	O	330.2	Stuff Yer Face	O	77.8
Ryan's Fam	M	195.2	Lifestyle Rest	A	77.8
Wstn Steer	M	179.5	DLites Of Amer	M	58.5
Allegheny Bev	M	149.7	Chefs Intl	O	43.6

TOP TEN GAINERS

(Weekly Price Change, in %)

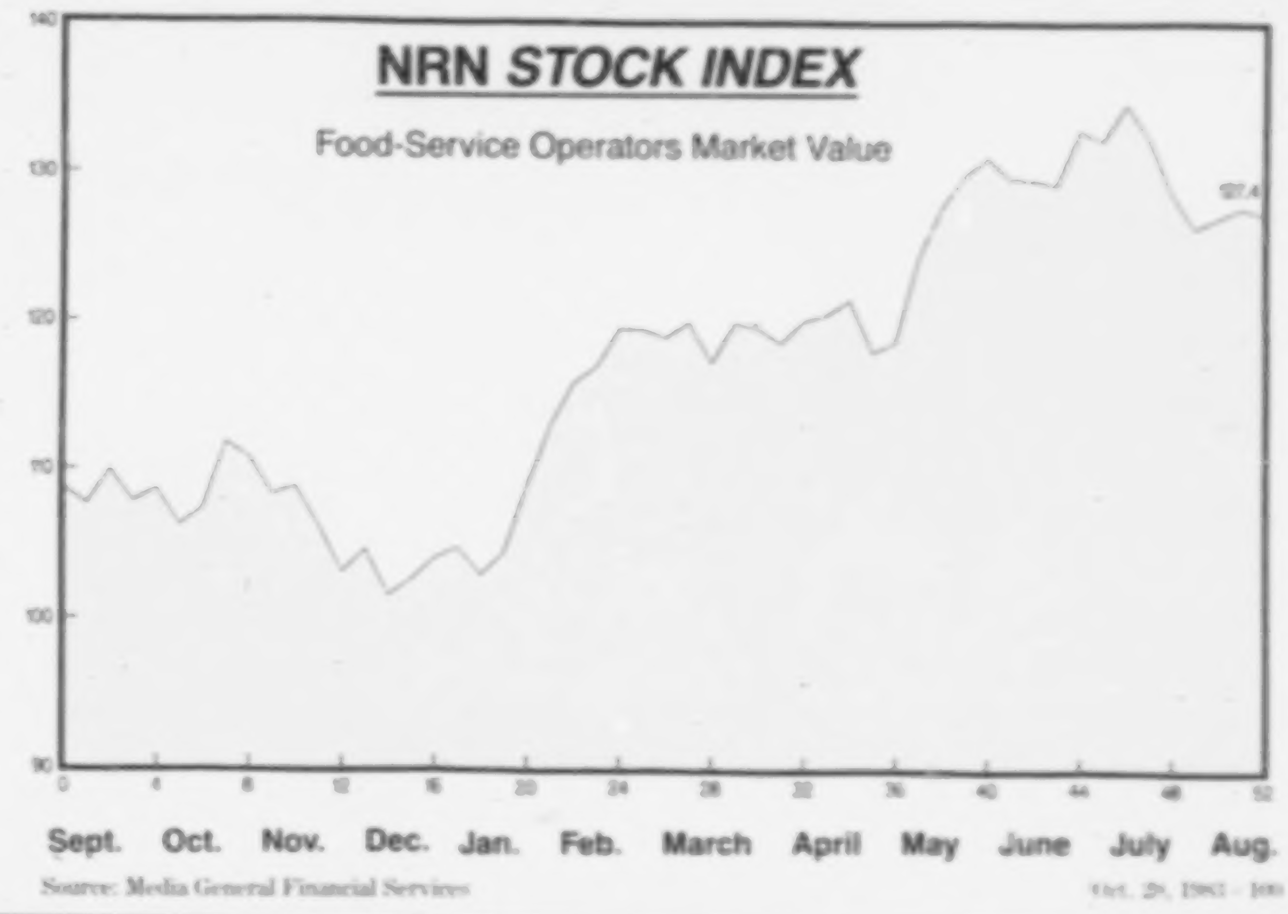
Cucos Inc	O	33.3	Prime Mtr Inn	N	9.4
Concept Dev	M	21.4	Wstn Steer	M	8.3
Good Taco	O	20.0	Bob Evans Farms	M	8.3
Stuff Yer Face	O	15.8	Lifestyle Rest	A	7.7
Capt Crab	M	13.6	Ponderosa Sys	N	6.7

TOP TEN LOSERS

(Weekly Price Change, in %)

Calibre Cp	M	- 28.6	Ramada Inns	N	- 9.9
Kelly-Johnston	O	- 25.0	DLites Of Amer	M	- 9.2
Primo Inc	O	- 14.3	Victoria Stations	M	- 9.1
Rest Mgmt	M	- 13.6	Brock Hotel Cp	N	- 6.3
Folks Rest	O	- 11.1	Nathans	M	- 5.7

	Stock Market											Financial Update																	
	Price							Volume																					
	8-30-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
															New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	7.25	.13	1.8	7.25	6.75	7.25	3.50	444	1.25	.70	78.6	20.7	.00	.0	......	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.6	14.3	.22	15.8
Acapulco Rests M	5.00	.00	.0	5.00	4.88	5.38	3.50	92	.37	.35	5.7	38.5	.00	.0	......	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants O	3.38	.00	.0	3.63	3.38	4.75	2.38	15	.07	.30	- 76.7	67.5	.00	.0	......	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts M	13.25	.63	5.0	13.63	12.25	17.13	10.75	1,948	4.40	3.84	14.6	21.0	.12	.9	......	9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl M	17.13	- .50	- 2.8	17.25	17.00	21.75	12.38	316	1.09	4.03	- 73.0	16.0	.00	.0	......	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	22.75	1.75	8.3	23.00	21.00	22.75	15.69	1,296	.80	.97	- 17.5	21.7	.27	1.2	......	3 mos.	07-85	61.9	14.6	5.0	13.6	.31	14.8	61.9	14.6	5.0	13.6	.31	14.8
Calibre Cp M	1.25	- .50	- 28.6	1.75	1.25	5.13	.63	70	.23	.39	- 41.0	NE	.00	.0	......	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	14.38	.13	.9	14.63	14.25	15.13	8.13	2,275	5.03	3.71	35.6	21.1	.16	1.1	......	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab M	1.56	.19	13.6	1.63	1.38	2.63	1.31	1,047	.68	.87	- 21.8	NE	.00	.0	......	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	7.13	.13	1.8	7.25	6.88	11.50	6.88	480	.62	.60	3.3	10.0	.07	1.0	......	fiscal	05-85	37.1	18.9	.7	- 41.7	.09	- 25.0	146.3	20.2	5.5	19.6	.71	4.4
Chefs Intl O	.56	.00	.0	0.69	0.56	1.06	.38	1,525	.79	.55	43.6	NE	.00	.0	......	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's M	10.63	.00	.0	10.88	10.50	16.50	9.38	8,367	3.10	4.31	- 28.1	18.3	.00	.0	......	fiscal	04-85	54.8	34.3	3.5	- 18.6	.13	- 27.8	198.6	25.7	15.6	- 6.6	.58	- 12.1
Chili's Inc M	24.38	.13	.5	24.63	24.13	28.88	19.00	1,909	4.10	3.52	16.5	27.7	.00	.0	......	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch N	15.25	- .25	- 1.6	15.50	15.13	20.25	12.75	6,094	1.62	3.48	- 53.4	13.0	.44	2.9	......	6 mos.	06-85	136.7	11.3	11.2	1.8	.30	3.4	253.0	11.4	19.1	7.9	.51	8.5
Collins Foods N	23.00	.63	2.8	23.13	22.13	25.00	13.63	587	.45	.96	- 53.1	17.7	.16	.7		3 mos.	07-85	136.4	18.6	5.6	16.7	.28	- 22.2	136.4	18.6	5.6	16.7	.28	- 22.2
Concept Dev M	8.50	1.50	21.4	9.00	7.00	16.75	5.75	2,774	5.36	4.39	22.1	NE	.00a	.0	......	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts M	3.50	.00	.0	3.50	3.25	5.38	3.25	147	.45	.57	- 21.1	15.9	.08	2.3	......	9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant M	3.00	.00	.0	3.13	3.00	8.75	2.88	404	.89	2.40	- 62.9	NE	.00	.0	......	fiscal	05-85	24.0	50.9	(11.5)	- 100.0	(2.50)	- 100.0	87.0	37.2	(15.2)	- 100.0	(3.32)	- 100.0
Cracker Barrel M	13.75	.25	1.9	13.75	13.50	19.50	11.75	152	.43	1.64	- 73.8	19.1	.14	1.0	......	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc O	7.00	1.75	33.3	7.75	5.25	7.00	2.75	321	1.85	.43	330.2	43.8	.00	.0	......	fiscal	06-85	2.0	122.2	.1	NC	.05	66.7	6.8	112.5	.3	50.0	.16	23.1
Diversifoods M	11.25	.00	.0	11.25	11.25	14.63	8.00	39	.01	.63	- 98.4	27.4	.34	3.0	......	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer M	7.38	- .75	- 9.2	7.75	7.25	15.50	7.25	2,644	5.20	3.28	58.5	43.4	.00	.0		3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts M	24.13	- .38	- 1.5	24.13	23.63	25.38	14.84	761	1.06	2.31	- 54.1	17.2	.24	1.0	......	9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico M	12.00	.00	.0	12.00	11.88	12.50	7.25	433	.93	1.95	- 52.3	14.1	.00	.0	......	fiscal	05-85	27.7	43.5	1.2	33.3	.27	35.0	89.5	16.2	3.9	8.3	.85	6.3
El Pollo Asa O	4.38	.25	6.1	4.50	4.13	6.34	1.84	411	2.44	3.96	- 38.4	NE	.00	.0	......	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest N	18.38	.38	2.1	18.50	17.75	19.25	10.63	540	.49	.85	- 42.4	17.0	.00	.0	......	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest M	2.50	.00	.0	2.50	2.38	4.38	1.63	240	.40	1.15	- 65.2	NE	.00	.0	......	3 mos.	03-85	16.3	- 4.7	.4	NE	.07	NE	16.3	- 4.7	.4	NE	.07	NE
Fast Food Oper O	.75	.00	.0	0.88	0.75	1.31	.63	137	.23	.52	- 55.8	25.0	.00	.0	......	fiscal	12-84	2.0	25.0	.0	- 100.0	.00	- 100.0	8.0	31.1	.2	- 33.3	.03	- 50.0
Flakey Jakes M	4.00	.13	3.2	4.13	3.88	8.25	3.50	640	.92	2.91	- 68.4	NE	.00	.0	......	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest O	2.00	- .25	- 11.1	2.50	2.00	7.38	2.00	29	.19	.18	5.6	NE	.00	.0	......	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Frisch's A	23.50	.25	1.1	23.50	22.88	26.00	14.50	34	.08	.18	- 55.6	20.4	.22	.9	......	fiscal	05-85	32.2	- .6	1.7	- 10.5	.39	- 7.1	129.0	4.0	5.0	2.0	1.15	3.6
Fuddruckers Inc M	8.25	.25	3.1	8.25	8.00	15.00	6.00	865	1.28	3.07	- 58.3	48.5	.00	.0	......	6 mos.	06-85	13.6	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco O	.38	.06	20.0	0.44	0.31	3.00	.25	230	.78	.82	- 4.9	NE	.00	.0	......	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	14.50	.00	.0	15.00	14.50	15.25	10.50	11	.15	.46	- 67.4	7.4	.00	.0	......	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger M	6.13	.25	4.3	6.13	5.50	6.25	3.63	837	2.88	2.45	17.6	NE	.00	.0	......	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen O	63.00	1.00	1.6	67.00	62.00	65.00	39.00	4	.02	.15	- 86.7	15.4	.00	.0	......	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab M	19.13	- .13	- .6	19.50	19.00	24.75	15.25	69	.24	1.91	- 87.4	12.6	.00a	.0	......	fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB Restaurant M	13.75	.38	2.8	13.75	13.38	15.50	9.09	607	1.31	4.74	- 72.4	18.1	.16	1.2	......	9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc M	22.13	.00	.0	22.13	21.00	22.50	14.25	3,227	2.04	3.25	- 37.2	15.7	.12	.5	......	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp A	3.75	- .13	- 3.2	3.88	3.63	4.38	1.13	119	.49	1.45	- 66.2	4.2	.00	.0	......	6 mos.	03-85	5.6	- 12.5	(.1)	NE	(.06)	NE	10.8	- .9	3.8	NE	1.61	NE
Karcher Carl M	16.13	- .13	- .8	16.75	15.75	25.75	13.50	1,202	1.70	1.65	3.0	14.5	.00	.0	......	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Kelly-Johnston O	.19	- .06	- 25.0	0.25	0.19	4.25	.19	851	1.00	.99	1.0	NE	.00	.0	......	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest A	1.75	.13	7.7	1.75	1.50	3.50	1.50	363	.64	.36	77.8	NE	.00	.0	......	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.29)	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe N	35.38	- .63	- 1.7	36.50	35.25	37.38	26.38	210	.17	.41	- 58.5	22.8	.60	1.7	......	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	18.75	.75	4.2	18.75	17.88	19.13	13.88	121	.24	.26	- 7.7	11.7	.30	1.6	......	fiscal	05-85	40.9	3.5	2.6	13.0	.50	13.6	131.8	4.0	8.2	10.8	1.60	11.1
Marriott Corp N	94.50	- 2.13	- 2.2	97.00	94.50	100.00	70.00	1,335	.52	.58	- 10.3	16.6	.54	.6	......	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	2.38	- .06	- 2.6	2.50	2.38	6.00	2.25	35	.07	.16	- 56.3	NE	.00	.0		6 mos.	07-85	3.3	13.8	(.1)	- 100.0	(.02)	- 100.0	6.4	20.8	(.1)	- 100.0	(.02)	- 100.0
Max & Erma's O	2.63	.00	.0	3.00	2.63	4.75	2.50	35	.19	.14	35.7	NE	.00	.0	......	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp N	64.63	.50	.8	65.25	64.00	70.00	48.50	4,624	.54	.91	- 40.7	14.0	.90	1.4	......	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures M	11.00	.25	2.3	11.00	10.75	12.25	9.75	120	.25	.63	- 60.3	13.6	.00	.0	......	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc M	20.00	13	.6	20.38	19.63	21.88	15.50	1,013	.76	1.47	- 48.3	13.1	.48	2.4	......	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak O	1.50	.00	.0	1.75	1.50	3.13	1.13	342	.71	.78	- 9.0	NE	.00	.0	......	9 mos.	06-85	7.0	- 59.1	(.5)	NE	(.11)	NE	21.8	- 56.2	(.6)	NE	(.14)	NE
Nankin Express O	.50	.00	.0	0.81	0.50	2.38	.50	55	.24	.94	- 74.5	NE	.00	.0	......	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans M	4.13	- .25	- 5.7	4.38	4.13	4.50	2.00	127	.57	.70	- 18.6	12.9	.05	1.2	......	fiscal	03-85	4.5	9.8	(.2)	NE	(.07)	NE	21.7	8.5	.7	75.0	.32	68.4
Natl Pizza M	12.25	- .13	- 1.0	12.75	12.25	12.88	7.50	581	1.05	1.00	5.0	16.6	.00	.0	......	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc M	4.88	- .13	- 2.5	4.88	4.63	9.75	4.50	1,305	2.87	2.31	24.2	NE	.00	.0	......	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	7.25	.00	.0	8.00	7.25	8.50	6.13	36	.30	.39	- 23.1	42.6	.00	.0	......	3 mos.	03-85	4.7	4.4	(.1)	NC	(.11)	- 100.0	4.7	4.4	(.1)	NC	(.11)	- 100.0
1 Potato 2 O	.75	.00	.0	1.13	0.75	6.25	.50	36	.16	.53	- 69.8	NE	.00	.0	......	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd M	4.50	.00	.0	4.75	4.50	5.25	4.00	72	.51	.66	- 22.7	7.1	.00	.0	......	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet M	7.63	.25	3.4	7.63	7.25	8.38	6.00	277	.75	2.31	- 67.5	13.6	.13	1.7	......	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants M	.19	.00	.0	0.19	0.13	1.63	.13	658	.76	1.53	- 50.3	NE	.00	.0	......	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	21.63	- .13	- .6	22.00	21.50	24.13	16.50	130	.22	.89	- 75.3	13.7	.60	2.8		fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn A	8.13	.13	1.6	8.38	7.88	12.00	6.88	282	.93	.90	3.3	NM	.08	1.0	......	6 mos.	06-85	50.6	4.1	.3	- 72.7	.10	- 71.4	98.3	13.0	.4	- 78.9	.14	- 77.0

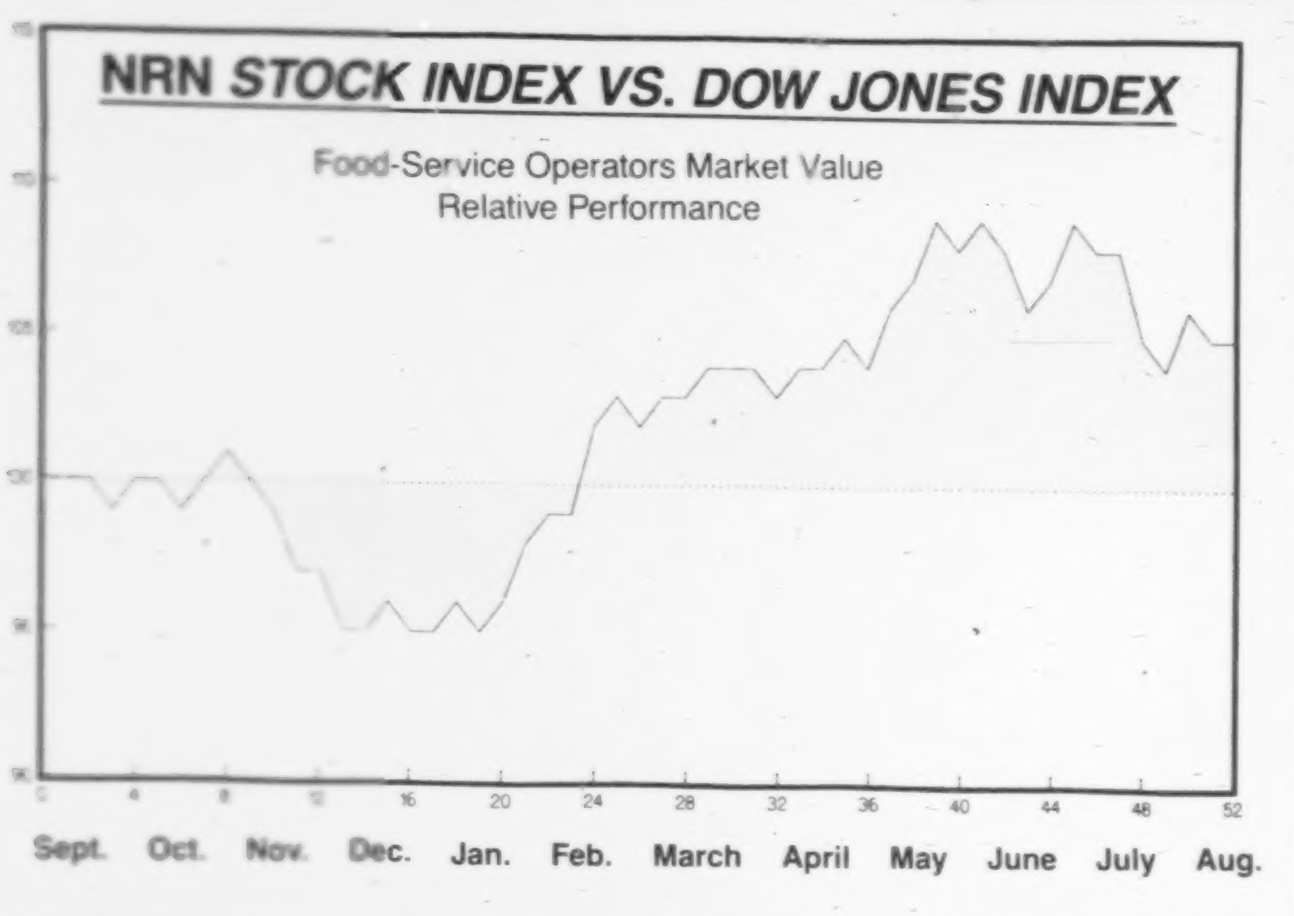


NRN STOCK INDEX

Food-Service Operators Market Value

Source: Media General Financial Services

Oct. 28, 1983 = 100



NRN STOCK INDEX VS. DOW JONES INDEX

Food-Service Operators Market Value
Relative Performance

		Stock Market											Financial Update																	
		Price							Volume				P/E Ratio	Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		8-30-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Po-Folks	M	13.50	.00	.0	13.63	13.00	15.38	8.75	151	.34	1.18	- 71.2	17.5	.00	.0	—	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys	N	11.88	.75	6.7	11.88	11.00	21.00	10.75	828	.86	1.56	- 44.3	26.4	.40	3.4	—	3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc	O	1.50	- .25	- 14.3	1.75	1.50	4.63	1.50	95	.28	.82	- 54.8	NM	.00	.0		9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants	M	6.75	- .38	- 5.3	7.25	6.75	16.13	6.75	228	.33	.69	- 52.2	NC	.00	.0	—	fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc	A	7.75	.00	.0	7.75	7.38	9.25	5.38	279	.99	.81	22.2	16.8	.00	.0	—	6 mos.	06-85	35.8	9.1	.6	.0	.24	14.3	69.0	9.9	.3	- 50.0	.12	- 42.9
Rest Mgmt	M	12.75	- 2.00	- 13.6	14.75	12.25	15.00	6.75	324	1.53	1.43	7.0	17.7	.08	.6	—	6 mos.	04-85	8.3	25.8	.5	66.7	.18	20.0	18.2	37.9	1.0	42.9	.39	21.9
Rest Systems	M	14.25	- .75	- 5.0	15.00	14.00	16.50	11.75	88	.38	1.02	- 62.7	15.7	.00	.0	—	3 mos.	03-85	10.5	1.0	.5	.0	.23	9.5	10.5	1.0	.5	.0	.23	9.5
Ritzys G D	M	2.06	- .06	- 2.9	2.13	2.00	5.50	1.75	315	.61	.86	- 29.1	NE	.00	.0	—	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican	M	15.63	.00	.0	15.88	15.50	18.25	11.00	1,464	5.18	1.16	346.6	21.1	.00	.0	—	9 mos.	04-85	13.0	39.8	.6	20.0	.24	- 4.0	34.5	40.2	1.1	.0	.42	- 20.8
Ryan's Fam	M	17.00	.75	4.6	17.25	16.25	19.25	11.34	2,565	3.69	1.25	195.2	27.9	.00	.0	—	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp	N	27.38	.13	.5	28.00	27.00	35.00	24.50	1,081	.83	1.44	- 42.4	12.6	.52	1.9	—	fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef	M	7.75	- .13	- 1.6	8.00	7.75	8.88	6.88	58	.46	.66	- 30.3	13.6	.00	.0	—	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley	M	5.88	.00	.0	5.88	5.75	9.50	5.75	1,054	3.32	3.06	8.5	3.1	.00	.0	—	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc	M	28.25	1.13	4.1	28.50	26.63	31.88	21.94	4,270	1.50	1.30	15.4	23.7	.15	.5	—	6 mos.	04-85	129.6	15.0	8.9	23.6	.31	19.2	279.6	15.4	17.2	25.5	.60	20.0
Shoney's South	M	12.00	.13	1.1	12.00	11.75	16.41	10.00	960	1.71	1.64	4.3	11.1	.00	.0	—	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	- 25.0	.51	- 25.0
SIS Cp	M	5.00	.00	.0	5.00	4.25	6.00	3.25	65	.42	.41	2.4	NE	.00	.0	—	6 mos.	06-85	3.4	61.9	.0	- 100.0	.03	- 25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl	M	16.25	- .25	- 1.5	16.25	16.00	17.75	9.16	213	.21	.81	- 74.1	15.9	.00	.0	—	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers	M	9.13	.25	2.8	9.50	8.75	12.50	8.75	136	.50	1.15	- 56.5	9.9	.06	.7	—	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality	M	4.63	.13	2.8	4.63	4.50	5.88	4.00	1,022	2.05	2.27	- 9.7	13.2	.00	.0	—	fiscal	05-85	9.4	- 6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face	O	.69	.09	15.8	0.72	0.59	1.44	.50	974	.64	.36	77.8	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc	O	2.00	.13	6.7	2.38	1.88	3.38	1.50	16	.03	.25	- 88.0	NE	.00	.0	—	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa	O	6.25	.00	.0	6.50	6.00	7.75	4.75	75	.09	.10	- 10.0	32.9	.00	.0	—	6 mos.	06-85	18.9	166.2	.5	66.7	.06	- 14.3	34.1	138.5	.3	- 50.0	.04	- 73.3
Taco Viva	M	4.88	.25	5.4	5.13	4.38	7.50	4.38	450	1.31	1.10	19.1	14.3	.00	.0	—	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's	N	10.38	.38	3.8	10.50	10.13	12.38	7.88	624	.54	.78	- 30.8	15.0	.00	.0	—	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas	O	2.00	.00	.0	2.50	2.00	2.38	2.00	2	.01	.07	- 85.7	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs	M	22.50	- 1.25	- 5.3	23.75	22.38	23.75	3.78	1,858	4.26	3.89	9.5	62.5	.00	.0	—	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld	N	39.38	.50	1.3	39.50	38.88	41.13	28.00	4,164	1.17	1.52	- 23.0	13.1	.48	1.2	—	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	4.3	47.1	- 4.3	1.19	- 9.8
USACafes	M	5.13	- .19	- 3.5	5.38	5.13	6.00	3.25	1,254	2.00	3.21	- 37.7	14.6	.28	5.5	—	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants	M	24.50	.50	2.1	25.00	23.88	28.25	13.25	2,492	2.96	3.55	- 16.6	20.4	.12	.5	—	6 mos.	04-85	85.8	61.0	1.4	- 30.0	.17	- 43.3	192.5	121.3	2.8	- 9.7	.34	- 26.1
Victoria Stations	M	2.50	- .25	- 9.1	2.88	2.38	6.00	2.13	1,074	2.36	1.81	30.4	NE	.00	.0	—	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl	N	16.00	- .63	- 3.8	16.63	15.75	19.13	12.19	8,186	1.12	1.17	- 4.3	16.0	.21	1.3	—	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer	M	13.00	1.00	8.3	13.00	11.25	13.00	9.00	150	1.23	.44	179.5	21.3	.20	1.5	—	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp	N	5.75	- .13	- 2.1	6.00	5.50	10.63	5.13	358	.89	.76	17.1	NM	.00	.0	—	6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																														
Brock Hotel Cp	N	1.88	- .13	- 6.3	2.13	1.88	5.13	1.88	632	.45	.73	- 38.4	NE	.10	5.3	—	6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels	N	60.63	.63	1.0	62.50	59.75	73.50	49.38	2,247	.91	.71	28.2	12.8	1.80	3.0	—	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp	N	50.00	- .75	- 1.5	51.13	50.00	58.13	35.25	2,849	1.05	1.26	- 16.7	11.9	1.00	2.0	—	6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn	N	36.25	3.13	9.4	36.75	32.88	36.75	16.13	1,828	.95	1.00	- 5.0	32.1	.09	.2	—	9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns	N	8.00	- .88	- 9.9	8.63	7.75	9.50	5.13	16,525	4.44	3.54	25.4	57.1	.00	.0		6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	- 1.3	1.0	25.0	.03	50.0
Servico Inc	M	19.50	- .63	- 3.1	19.63	19.00	21.38	13.44	42	.12	.45	- 73.3	9.7	.00a	.0		6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl	M	23.00	.00	.0	25.50	23.00	27.00	18.50	1	.01	.05	- 80.0	7.1	.40	1.7		6 mos.	06-85	20.9	- 6.7	1.8	- 14.3	1.65	19.6	32.9	- 9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																														
Allegheny Bev	M	18.00	.13	.7	18.50	17.13	22.63	15.25	2,393	3.97	1.59	149.7	1.7	.40	2.2		3 mos.	06-85	225.3	88.9	69.9	3395.0	11.20	3400.0	225.3	88.9	69.9	3395.0	11.20	3400.0
Arden Intl	O	2.25	.00	.0	2.38	2.13	2.75	1.13	92	.39	.56	- 30.4	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Ch Full O Nut	N	8.63	.50	6.2	8.75	7.88	11.41	7.03	214	.44	.58	- 24.1	NM	.00a	.0	—	9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 66.7	87.1	.2	.4	- 60.0	.09	- 57.1
Disney, Walt	N	89.38	.88	1.0	89.63	87.63	95.00	53.63	2,644	.80	1.74	- 54.0	50.5	1.20	1.3	—	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills	N	56.88	1.50	2.7	57.13	55.38	64.00	47.75	2,836	.64	1.09	- 41.3	33.7	2.24	3.9	—	9 mos.	02-85	354.8	- 73.6	(74.1)	- 100.0	(1.64)	- 100.0	3300.6	- 22.2	35.6	- 81.5	.79	- 80.6
Grace W R	N	42.63	- .38	- .9	43.25	42.50	45.00	38.50	2,280	.47	1.00	- 53.0	12.4	2.80	6.6	—	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart	A	8.75	- .13	- 1.4	9.00	8.38	14.25	7.88	1,038	.85	1.09	- 22.0	NM	.00a	.0	—	6 mos.	06-85	91.3	- 2.6	(1.7)	- 100.0	(.15)	- 100.0	173.6	- 3.6	(1.7)	- 100.0	(.16)	- 100.0
Ogden Corp	N	29.88	- 1.75	- 5.5	31.63	29.50	34.25	24.13	1,220	.64	.90	- 31.2	17.2	1.80	6.0	—	6 mos.	06-85	NC	NC	5.4	- 53.0	.27	- 55.0	502.3	- 53.8	17.4	- 25.0	.90	- 25.6
PepsiCo Inc	N	59.50	.63	1.1	59.50	58.00	60.50	39.88	6,433	.68	1.54	- 55.8	10.8	1.78	3.0	—	6 mos.	06-85	1880.8	- .3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co	N	51.63	- .25	- .5	52.00	51.00	56.63	36.63	3,133	.72	.89	- [illegible]	12.2	1.56	3.0	—	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	- 17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec	O	3.50	.00	.0	4.25	3.50	4.50	3.50	18	.10	.08	25.0	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Reynolds, RJ	N	27.50	1.00	3.8	28.00	26.13	35.00	24.81	17,973	.71	1.16	- 38.8	8.5	1.40	5.1	—	6 mos.	06-85	3404.0	31.0	228.0	- 14.3	.86	- 3.4	6302.0	34.4	410.0	- 5.1	1.52	7.0
Vie de France	M	9.63	- .13	- 1.3	9.63	9.25	14.38	8.13	250	.23	1.42	- 83.8	18.5	.23	2.4		fiscal	06-85	14.6	- 2.0	1.1	- 38.9	.10	- 41.2	63.1	14.3	5.6	- 5.1	.52	- 10.3

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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NEWSPAPER

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Wendy's new ad salvo pushes 'freshness'

Also testing Days Inns sites

By Don Jeffrey

NEW YORK — Wendy's, firing off new rounds in its market-share battles with other burger chains and the so-called healthy-foods concepts, has unveiled a marketing strategy that puts increased emphasis on the freshness of its food.

Meanwhile, continuing its attempts to develop nontraditional sites, Wendy's has agreed to open six test units in converted restaurants in Days Inns motels. The first is expected to open by March 1986. Since the motel chain has about 250 restaurants in its 337 sites, the potential for expansion is significant.

In a press conference here at which the new marketing strategy and commercials were introduced, Wendy's said it would spend "considerably more" on 1986 advertising than the $115 million projected for this year's spending.

Wendy's
Choose fresh. Choose Wendy's.

Wendy's TV ad shows a competitor's hamburger "aging" under warming lights as a birthday candle grows smaller. The spot ends with a message to pick Wendy's for freshness.

The new ad campaign, highlighted by a series of four new television advertisements created by Dancer Fitzgerald Sample, attempts to convince consumers that Wendy's fresh foods are superior to those of competitors, who use frozen ingredients and leave the products under heat lamps until sold. No other chain is mentioned by name in the ads.

"It's the Achilles heel for our competition," said Wendy's executive vice president of marketing William Welter, referring to the use of frozen ingredients.

Wendy's freshness campaign is not entirely new. As long ago as 1974, it was touting fresh in commercials. The current campaign, though, amounts to an increased emphasis designed to point out clear differences between Wendy's and other burger

(See **WENDY'S**, page 85)

Golden Corral parent tabs Renaud president

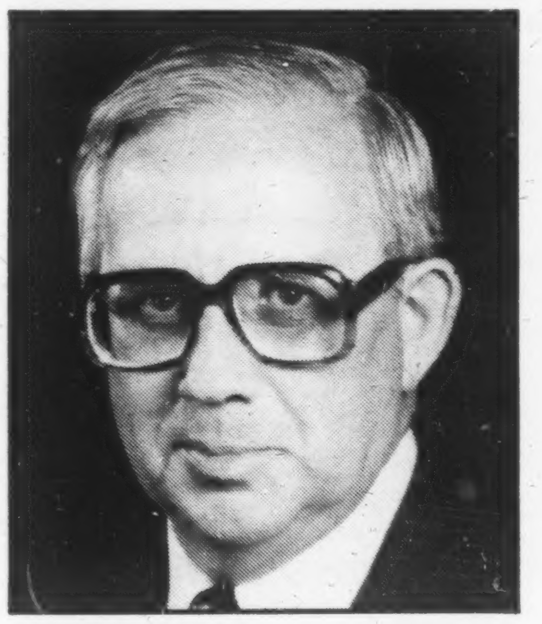
By Charles Bernstein

RALEIGH, N.C. — Ernest Renaud, brought into Investors Management Corp. (IMC) here as corporate development senior vice president last November, has been promoted to president.

James Maynard, who had been chairman and president, continues as chairman-chief executive of IMC, which owns the 416-unit Golden Corral family steak chain, considered the leader in its segment on a sales-per-unit basis; 12 Oh' Brian's rib restaurants; three Fred Gangs dinnerhouses; 25 Church's franchise units in North Carolina; a projected Nicho's Mexican fast-food chain; a Days Inn franchise in the Raleigh-Durham area; and a real-estate development management firm. (The Sirloin Stockade units that IMC acquired from Lucky Stores several years ago have been converted to Golden Corral or sold. See related story, page 3).

Renaud, who joined Jerrico in 1972 as its Long John Silver's operations director, was replaced as Jerrico president and chief executive by John Tobe 1½ years ago. From the time Renaud subsequently joined IMC here, Maynard groomed him as a potential

(See **RENAUD**, page 85)



Ernest Renaud
Former IMC senior vp

Naugles seeks rebound under Wayne Withers

By Richard Martin

FULLERTON, Calif. — Reeling from record losses and a far-reaching purge of substandard field managers, Naugles Inc. is trying to regroup under new leadership following the resignation of chairman and chief executive Harold Butler last month.

But Butler, who is already set to take his newest restaurant venture, Herschel's, public next month, said his longtime associate and successor, former finance vice president Wayne Withers, confronts a "tough" set of circumstances and "faces a difficult task in a highly competitive environment."

Withers was named to fill both posts vacated after 15 years by Butler, who was named chairman emeritus. The leadership shakeup followed Naugles' report of a $9.2 million net loss for the year ended June 30, including a $5.5 million provision for losses connected to restaurant closures in fiscal 1984 and a $2 million loss on operations in the fourth quarter of fiscal 1985. Annual revenues were

(See **NAUGLES**, page 85)

Owner Michael Ratliffe and Kristin Grandelius at Doug's.

Owner soups up Doug's Body Shop

Ratliffe changes concept, menu of Detroit independent

By Howard Riell

DETROIT — Doug's Body Shop, a Motor City fixture since its conversion from a collision shop 11 years ago, is sporting a new concept and a new menu—compliments of its new owner.

Mike Ratliffe, 28, who as a busboy helped founder Doug Diehl open the place in 1974, has recast the 250-seat, 7,500-sq.-ft. restaurant in his own image, appealing to a younger, more affluent clientele.

Among the changes instituted by Ratliffe since taking over 15 months ago: new live entertainment, the reopening of the downstairs room, The Grease Pit, and the introduction of lighter menu items and finger foods to augment the 35% of sales that come from liquor.

Unchanged, though, is the restaurant's unusual decor. Its auto motif features the carved-out bodies of seven classic cars, each of which seats up to six people. An array of traffic lights, license plates, steering wheels, neon and lots of chrome is also featured.

The automotive look has become increasingly popular recently. Car concepts such as Chevy's, Studebaker's Bentley's, Juke Box Saturday Night, Packard's, Be Bop and the Caliente Cab Co. are revving their engines across the country.

"We went through a period of severe change," Ratliffe said. "Doug angled for an older crowd, in their 40's. He had the same [live] entertainment here for seven years. That's a little too long.

"My biggest problem was that when you take a well-known restaurant and revitalize it, it takes a long time to turn around a food program," said Ratliffe, a former 7-Eleven franchisee and liquor store owner.

(See **DOUG'S**, page 85)

Tax on Canadian fish could affect entrée prices

U.S. TARIFF CLASSIFICATIONS

Species	1985 Duty Rate
Fresh or Chilled Whole Fish:	
Cod	Duty Free
Cusk, Haddock, Hake and Pollock	Duty Free
Flatfish (Except Halibut)	0.5¢/lb.
Fresh or Chilled Fillets (Over-Quota):	
Cod	2.04¢/lb.
Cusk, Haddock, Hake and Pollock	2.04¢/lb.
Flatfish (Except Halibut)	2.04¢/lb.
Fresh, Chilled or Frozen Fillets (Within Quota):	
All Groundfish	1.875¢/lb.

Source: *NRN* research

NRN *Washington Bureau*

WASHINGTON — A petition for countervailing duties on Canadian imports of fresh Atlantic groundfish could affect prices of fish entrées in Northeastern United States restaurants. The petition was filed with the International Trade Commission on behalf of New England fishermen who harvest cod, haddock, pollock, hake, flounder and sole.

The petition charges that a "substantial subsidy element" allows the Canadian imports to undercut the prices received by United States fishermen and fresh fish processors, causing "a significant loss of revenues" by U.S. industry.

Both the federal and the provincial governments in Canada provide subsidies to the Canadian Atlantic groundfish industry "through a myriad of assistance programs," according to the petition. In 1984-85, the annual budget of the Canadian Department of Fisheries and Oceans was $789 million.

Imports of the fresh fish from Canada, mainly in the form of fillets for sale to retail outlets, restaurants and institutions, have risen sharply and at an accelerating rate. In 1984, Canadian imports of fresh groundfish fillets rose from about 17.4 million lb. to almost 21.5 million, representing a 21.4% increase. The rate of increase during the previous year was only 8%, according to the petition.

The petitioners also expect the high volumes of fresh Canadian groundfish imports to continue to rise if no countervailing duty law is passed.

"In the first six months of 1985, Canadian imports were already running at a higher rate than the previously unprecedented levels of 1984," they said. Imports of whole groundfish were 36.2 million lb. in January-June of 1984 and up to 44.6 million lb. during the same time period in 1985. Imports of fresh groundfish fillets were also above 1984's record level of 11.4 million lb.

While imports of fresh or chilled whole cod, cusk, haddock, hake and pollock are duty-free, fresh and chilled fillets are now subject to a quota-based tariff. All within-quota groundfish fillets are charged a duty of 1.875¢ a pound, with overquota imports taxed at 2.04¢ a pound. The U.S. Customs Service determines which imports qualify for quota status on the basis of time of entry. The rate of duty for above-quota groundfish fillets has decreased annually according to international commitments. The final reduction to 1.875¢ a pound will be effective Jan. 1, 1987, erasing the tariff-quota differential.

'Imports of fresh fish from Canada, mainly in the form of fillets for sale to restaurants, have risen sharply.'

The petitioners, citing the high level of government assistance to the Canadian Atlantic fishing industry, asked the ITC to initiate a countervailing duty investigation.

"The total direct expenditures" of the Canadian government for assistance to the fishing industry was calculated to amount to "U.S. $105.6 million" in 1982, representing an assistance level of about 9% of production, they said.

"Government subsidies allow the Canadian producers to accept a lower price and encourage the export of fresh fish to the United States," the petitioners charged.

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Study shows 'food-only' profits down per dollar

Restaurants serving alcohol post tiny gain

PHILADELPHIA — Profits at restaurants serving only food dropped 16% to 7.5¢ for each sales dollar last year, compared with 1983, according to a restaurant operations report prepared for the National Restaurant Association by the accounting firm of Laventhol & Horwath.

Restaurants serving food and alcoholic beverages showed an increase in profits to 4.5¢ for each sales dollar compared with 4.3¢ in 1983, the report said.

"Food-only" restaurants in the West had average 1984 profits of 10.1¢ per sales dollar, up from 7.6¢ in 1983. Outlets in the West serving food and alcoholic beverages had a 7.5¢ profit on each sales dollar, up from 6.2¢ in 1983.

In the North-Central states, food-only restaurants reported average profits of 6.2¢ per sales dollar in 1984, down from 8.4¢ in 1983.

Food and beverage restaurants in the North-Central states showed profits of 1.2¢ per sales dollar, down from 2.9¢ in 1983.

Food-only restaurants in the Northeast posted average profits of 8.1¢ per sales dollar, down from 10.1¢ the previous year; food and alcoholic beverage restaurants in the Northeast had profits of 3.3¢, down from 3.8¢ in 1983.

In the South, food-only restaurants reported profits declined to 6.8¢ in 1984 from 8.7¢ per sales dollar in 1983. Food and beverage restaurants in the South earned 6.7¢ per sales dollar, up from 4.3¢ in 1983.

In other findings, the report said average per-person checks nationwide increased 12.7% to $10 at restaurants serving alcoholic beverages, but declined about 4¢ to $3.44 at food-only restaurants.

By menu theme, food-only chicken outlets had the highest average checks, $4.53, while restaurants with ethnic menu themes had the lowest check at $3.07.

Ethnic menu theme restaurants in the food-only category had the highest seat turnover per day at 11.5, and restaurants serving American food, the lowest at 3.8 seats per day.

In the food-only category, the average check and seat turnover rankings were: chicken, average check $4.53, turnover 7.8; Italian/pizza, $4.09, 8.0; American, $3.20, 3.8; ethnic, $3.07, 11.5; hamburger/submarine sandwiches, $2.73, 5.8; and dessert only outlets, $2.74, 4.8.

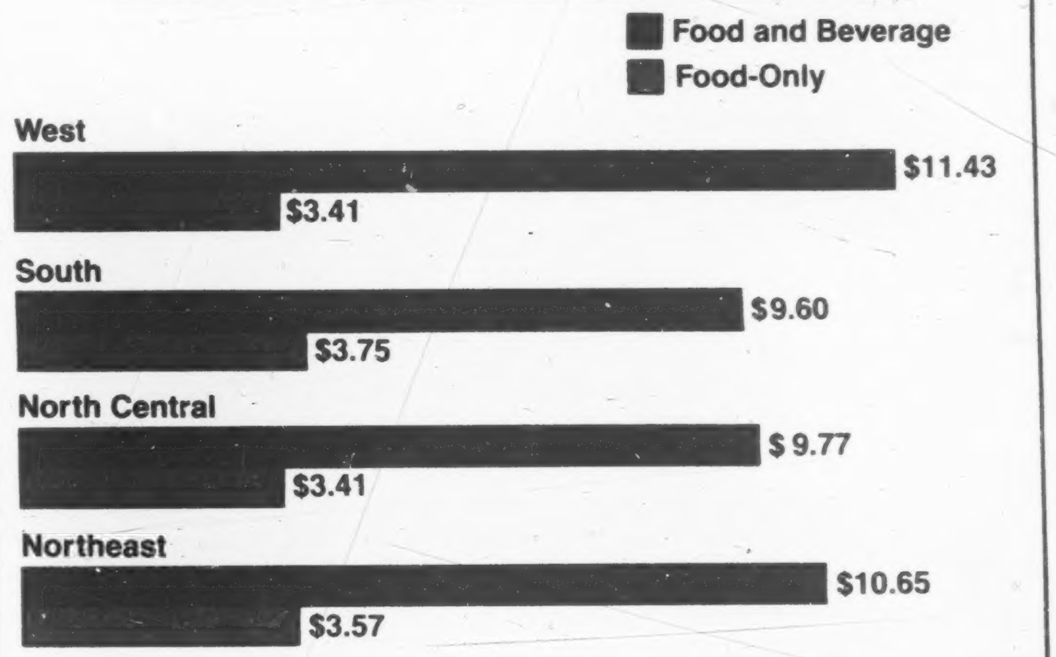
In the food and beverage category, Continental menu restaurants had the highest average check of $12.14 but the lowest seat turnover at 0.8 a day. Mexican theme restaurants had average checks of $8, but the highest turnover at 1.9 a day. Other categories with average checks and seat turnover: steak and seafood, $11.81, 1.1; Italian, $8.11, 1.2; and regional food themes, $6.15, 1.5.

A spokesman for Laventhol & Horwath said seat turnover per day is a measurement used to gauge utilization of seats in a restaurant as well as a tool for measuring the popularity of various restaurants of equal size and service standards.

Food and beverage restaurants in the West had the highest check average at $11.34 and highest seat turnover at 1.4 per day. In the food-only category, the West had the third-highest average check at $3.41, and the highest seat turnover at 7.3 per day.

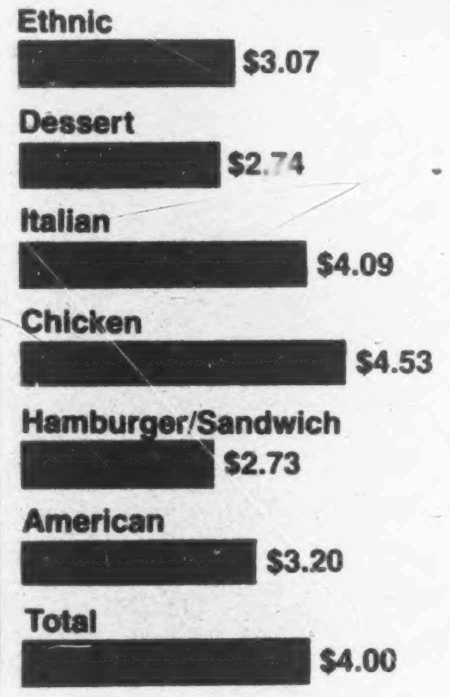
"Restaurant Industry Operations Report '85," available from the National Restaurant Association in Washington, was prepared from financial and operating data provided by NRA members. All averages in the report are medians.

1984 AVERAGE CHECKS BY REGION



Source: Laventhol & Horwath

1984 AVERAGE CHECKS: FOOD-ONLY RESTAURANTS



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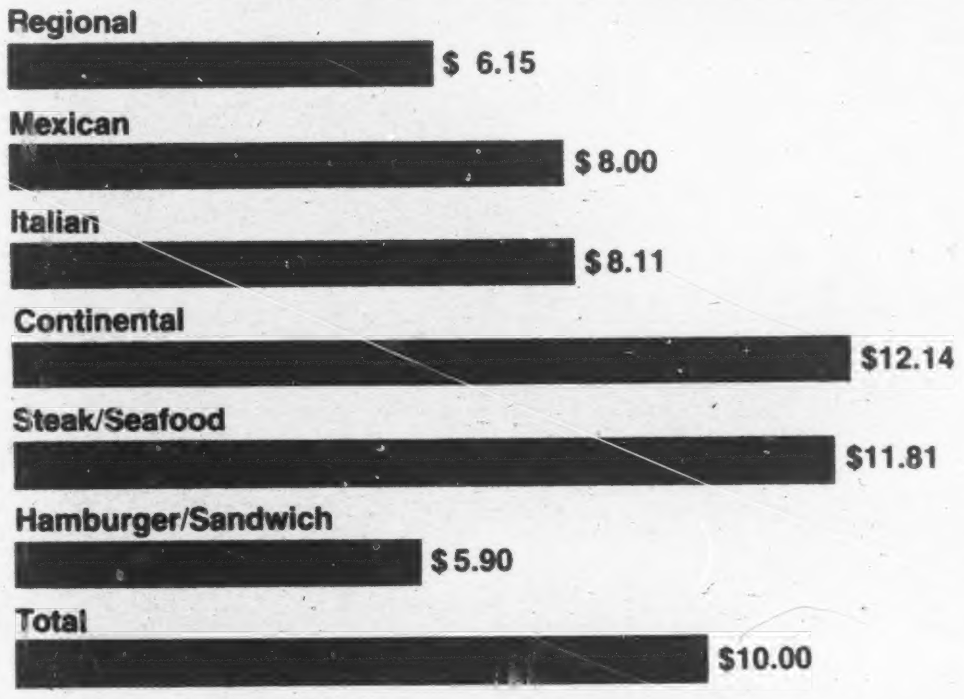
1984 AVERAGE CHECKS: FOOD AND BEVERAGE RESTAURANTS



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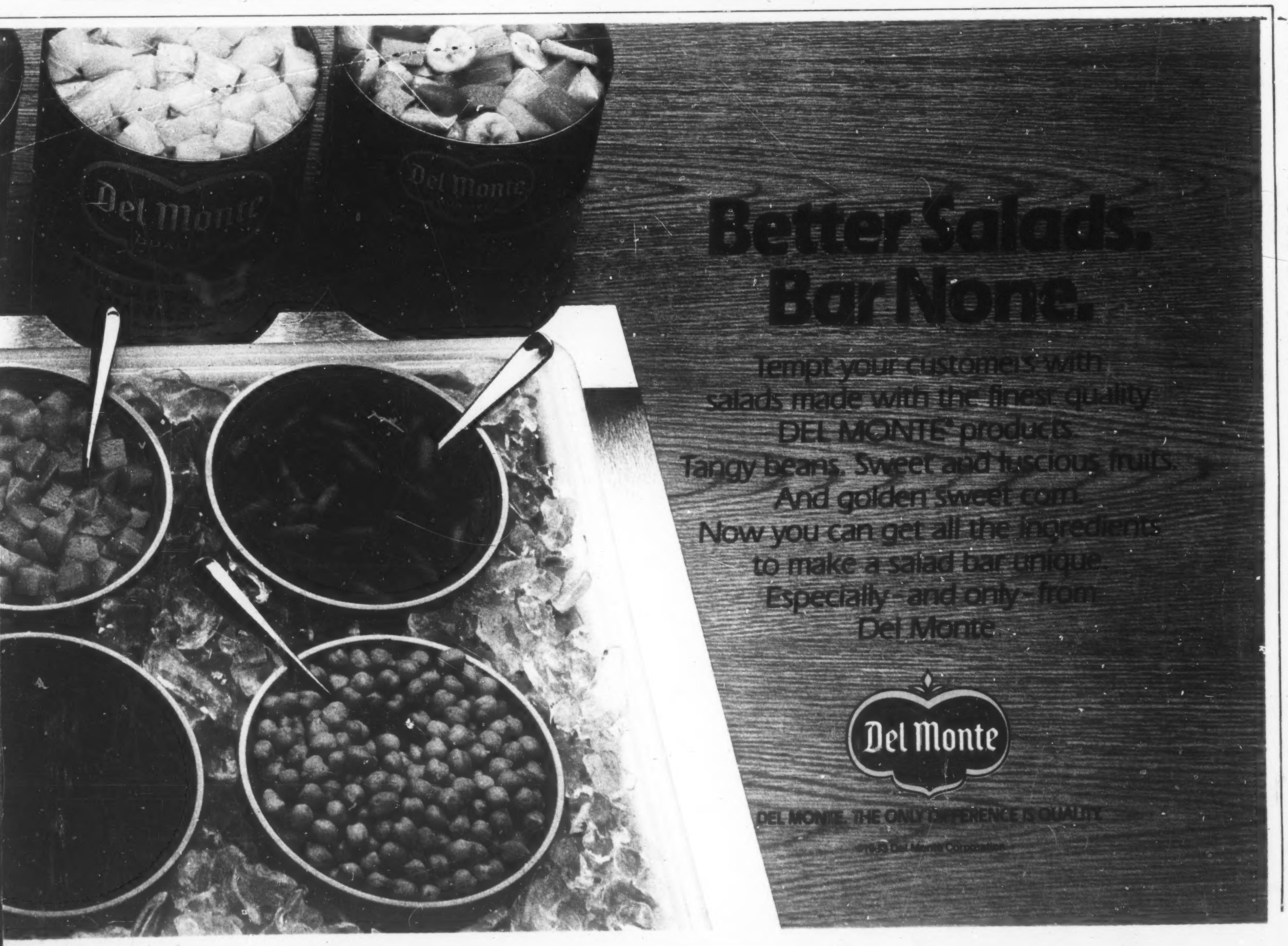

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Sign of the Whale helps raise funds for dying children

NRN *Washington Bureau*

WASHINGTON — The U.S. capital's best hamburgers, a few hot stock tips and some "dreams come true" for terminally ill children were on the menu at the second annual "Battle of the Brokers," hosted by the Sign of the Whale restaurant in conjunction with WRQX-FM.

Brokers from the firms of Merrill Lynch and Moseley Hargarten stood in for the Whale's regular bartenders and competed for tips from pub patrons. All tips earned by the amateur bartenders benefited the Sunshine Foundation, a nonprofit group nicknamed "the dream-makers" because it fulfills last wishes for dying children.

The 1985 battle between the two brokerage houses raised more than $1,200, double the amount of the event last year, according to Tommy Goss, owner of the Sign of the Whale. The Washington pub recently won the *Washingtonian Magazine* award for the best hamburgers in the city. Goss, described as "a food-conscious owner," works in the kitchen every day, and has added a new light food menu.

NRN stock index continues decline; dips 0.7 to 126.7

NEW YORK — In the second consecutive weekly decline, the *Nation's Restaurant News* Food-Service Operators Stock Index fell 0.7 points in the week ended Sept. 6 and closed at 126.7.

The Dow Jones Industrial Average, however, rose 1.68 points in the week, closing at 1,335.69. Analysts said that losses early in the week were offset after the government reported that August unemployment was 7%, the lowest rate since April 1980.

On *NRN*'s 116-issue listing, which includes lodging and diversified companies, issues declining in price outnumbered those advancing, 49 to 35, with 32 unchanged. Only 31 stocks traded at higher volumes than their previous 12-week averages, while 83 traded lower and two were unchanged.

Cucos had the biggest relative volume surge. A total of 53,300 shares changed hands, 358.2% higher than the average. The chain reported that net profit for the year ended June 30 soared 42% to $271,857, compared with last year's figure.

Naugles had the largest relative drop in price, down $1 to close at $3.88, a 20.5% decline. The company reported a $9.2 million net loss for the year ended June 30.

Issues that closed at new 52-week price highs in the week were: Jerrico, up $1.13 to $23.25; Marcus Corp., up 63¢ to $19.38; and Western Steer, up $1 to $14.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Cucos Inc O	358.2	McFaddin Ventures M	119.7
Old Fashion Fd M	286.5	Calibre Cp M	94.4
Maverick Rest M	233.3	Ch Full O Nut N	93.4
Skippers M	212.8	Jerrico Inc M	92.3
Nathans M	136.7	TGIF Texas O	77.8

TOP TEN GAINERS

(Weekly Price Change, in %)

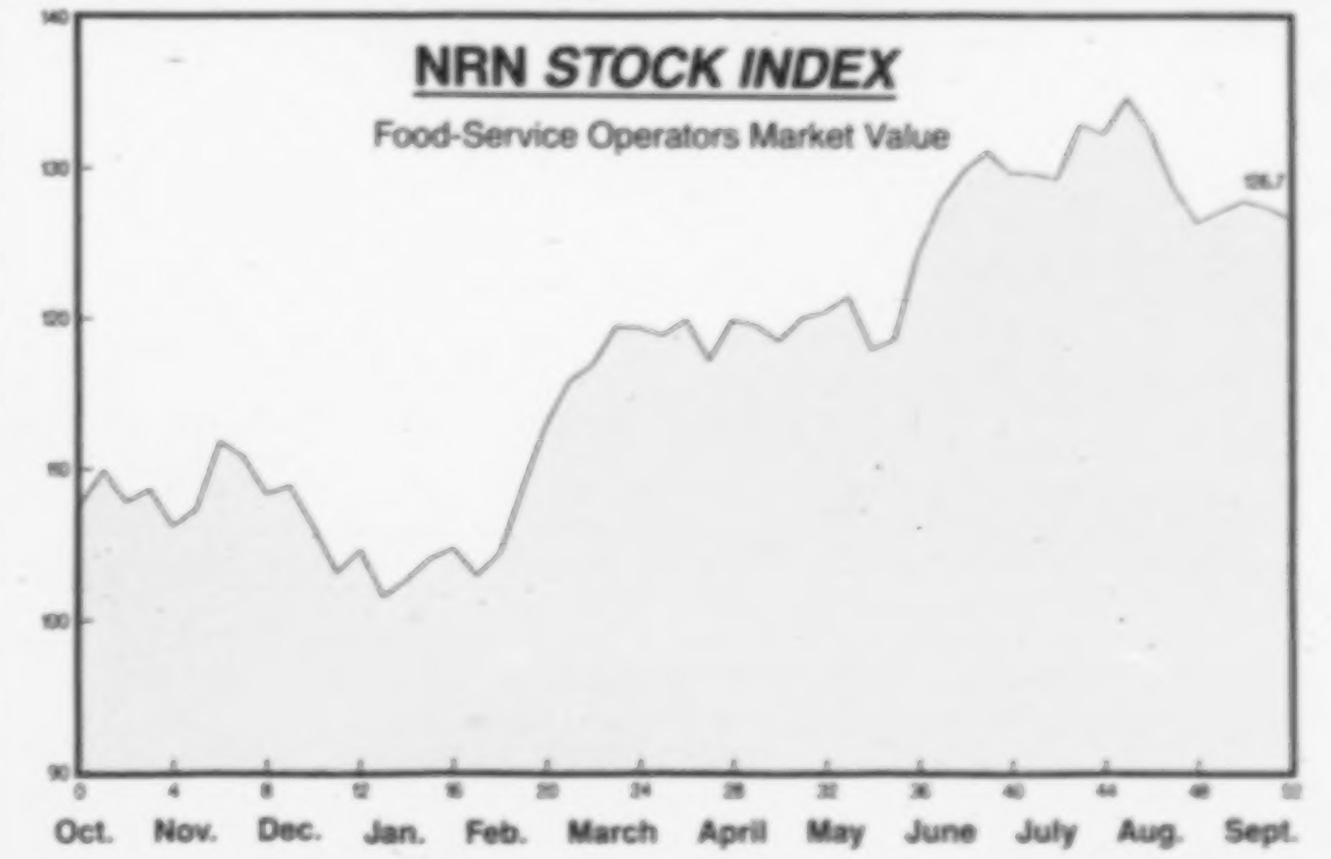
Skippers M	15.1	DLites Of Amer M	8.5
Lifestyle Rest A	14.3	Primo Inc O	8.3
Concept Dev M	11.8	Wstn Steer M	7.7
Old Fashion Fd M	11.1	Brock Hotel Cp N	6.7
Arden Intl O	11.1	Ramada Inns N	6.3

TOP TEN LOSERS

(Weekly Price Change, in %)

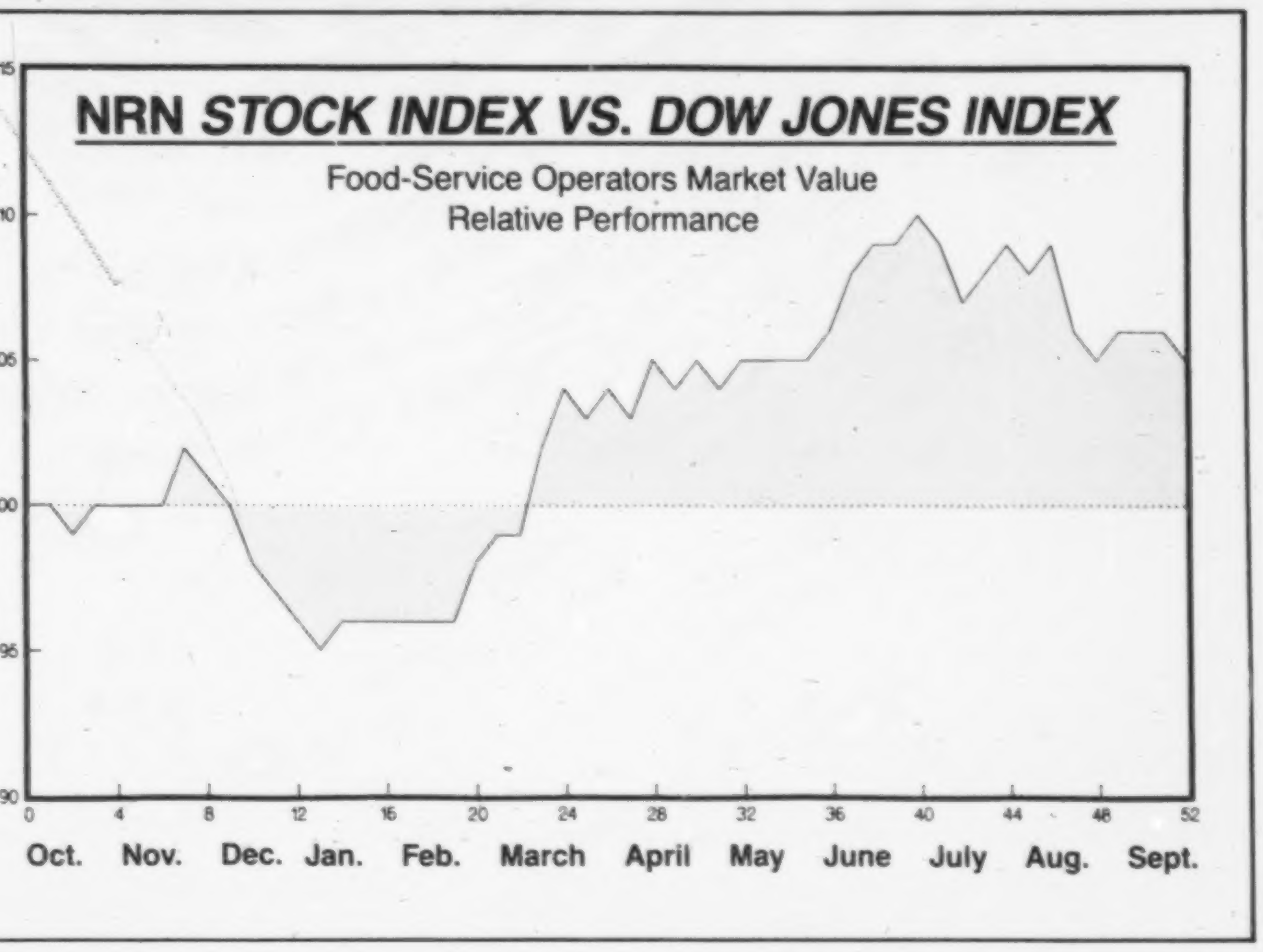
Naugles Inc M	- 20.5	Kapok Cp A	- 6.7
Good Taco O	- 16.7	El Chico M	- 6.3
Sea Galley M	- 12.8	Prime Mtr Inn N	- 5.9
Flakey Jakes M	- 12.5	Horn & Hardart A	- 5.7
Ponderosa Sys N	- 7.4	El Pollo Asa O	- 5.7

	Stock Market											Financial Update																	
	Price							Volume					Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week	Volume							Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	9-06-85 Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	Avg. Vol. As % Out	Trend Change	P/E Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	7.25	.00	.0	7.50	7.00	7.38	3.50	253	.71	.70	1.4	20.7	.00	.0	—	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests M	5.00	.00	.0	5.00	4.88	5.38	3.50	67	.27	.35	- 22.9	38.5	.00	.0	—	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants O	3.38	.00	.0	3.63	3.38	4.75	2.38	36	.16	.30	- 46.7	67.5	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts M	13.00	- .25	- 1.9	13.25	12.75	17.13	10.75	349	.79	3.79	- 79.2	20.6	.12	.9	—	9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl M	17.50	.38	2.2	18.00	17.13	21.75	12.38	611	2.10	3.88	- 45.9	16.4	.00	.0	—	fiscal	03-85	27.3	228.9	1.3	85.7	.45	50.0	67.0	238.4	3.1	121.4	1.07	91.1
Bob Evans Farms M	22.25	- .50	- 2.2	22.50	22.00	22.75	15.69	1,263	.71	.89	- 20.2	21.4	.27	1.2		3 mos.	07-85	61.9	14.6	5.0	13.6	.28	12.0	61.9	14.6	5.0	13.6	.28	12.0
Calibre Cp M	1.25	.00	.0	1.25	1.13	5.13	.63	211	.70	.36	94.4	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Cainy Food M	14.75	.38	2.6	14.75	14.38	15.13	8.13	1,392	3.08	3.80	- 18.9	21.7	.16	1.1	—	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab M	1.50	- .06	- 4.0	1.63	1.31	2.63	1.31	770	.50	.83	- 39.8	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	7.13	.00	.0	7.50	7.13	11.50	6.88	194	.25	.59	- 57.6	10.0	.07	1.0	—	fiscal	05-85	37.1	18.9	.7	- 41.7	.09	- 25.0	146.3	20.2	5.5	19.6	.71	4.4
Chefs Intl O	.56	.00	.0	0.69	0.56	1.06	.38	632	.33	.56	- 41.1	NE	.00	.0	—	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's M	10.25	- .38	- 3.5	10.38	10.13	16.50	9.38	7,166	2.66	4.14	- 35.7	17.7	.00	.0	—	fiscal	04-85	54.8	34.3	3.5	- 18.6	.13	- 27.8	198.6	25.7	15.6	- 6.6	.58	- 12.1
Chili's Inc M	24.88	.50	2.1	24.88	24.25	28.88	19.00	1,020	2.19	3.53	- 38.0	28.3	.00	.0	—	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch N	15.00	- .25	- 1.6	15.25	14.88	20.25	12.75	7,056	1.87	3.50	- 46.6	12.8	.44	2.9	—	6 mos.	06-85	136.7	11.3	11.2	1.8	.30	3.4	253.0	11.4	19.1	7.9	.51	8.5
Collins Foods N	23.38	.38	1.6	23.50	23.00	25.00	13.63	277	.21	.91	- 76.9	18.0	.16	.7	—	3 mos.	07-85	136.4	18.6	5.6	16.7	.28	- 22.2	136.4	18.6	5.6	16.7	.28	- 22.2
Concept Dev M	9.50	1.00	11.8	9.50	8.25	16.75	5.75	744	1.44	4.05	- 64.4	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts M	3.50	.00	.0	3.50	3.38	5.38	3.25	43	.13	.53	- 75.5	15.9	.08	2.3	—	9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant M	3.00	.00	.0	3.13	3.00	8.75	2.88	420	.92	2.27	- 59.5	NE	.00	.0	—	fiscal	05-85	24.0	50.9	(11.5)	- 100.0	(2.50)	- 100.0	87.0	37.2	(15.2)	- 100.0	(3.32)	- 100.0
Cracker Barrel M	13.50	- .25	- 1.8	13.75	13.50	19.50	11.75	137	.38	1.61	- 76.4	18.8	.14	1.0	—	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc O	7.00	.00	.0	7.75	7.00	7.00	2.75	533	3.07	.67	358.2	43.8	.00	.0	—	fiscal	06-85	2.0	122.2	.1	NC	.05	66.7	6.8	112.5	.3	50.0	.16	23.1
Diversifoods M	11.50	.25	2.2	11.50	11.25	14.63	8.00	60	.02	.21	- 90.5	28.0	.34	3.0	—	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer M	8.00	.63	8.5	8.00	7.38	15.50	7.25	1,468	2.88	3.27	- 11.9	47.1	.00	.0	—	3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts M	23.88	- .25	- 1.0	23.88	23.50	25.38	14.84	556	.77	1.59	- 51.6	17.1	.24	1.0	—	9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico M	11.25	- .75	- 6.3	11.75	11.25	12.50	7.25	764	1.64	1.80	- 8.9	13.2	.00	.0	—	fiscal	05-85	27.7	43.5	1.2	33.3	.27	35.0	89.5	16.2	3.9	8.3	.85	6.3
El Pollo Asa O	4.13	- .25	- 5.7	4.38	4.13	6.34	1.84	269	1.59	3.86	- 58.8	NE	.00	0	—	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest N	18.00	- .38	- 2.0	18.50	17.88	19.25	10.63	306	.28	.71	- 60.6	16.7	.00	.0	—	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest M	2.50	.00	.0	2.50	2.38	4.00	1.63	145	.24	.97	- 75.3	NE	.00	.0		6 mos.	06-85	12.3	- 2.4	(.1)	- 100.0	(.02)	- 100.0	28.6	- 3.7	.3	NC	.05	NC
Fast Food Oper O	.75	.00	.0	0.88	0.75	1.31	.63	209	.35	.52	- 32.7	25.0	.00	.0		3 mos.	03-85	1.8	5.9	.0	NC	.00	NC	1.8	5.9	.0	NC	.00	NC
Flakey Jakes M	3.50	- .50	- 12.5	3.88	3.50	8.25	3.50	1,823	2.62	2.91	- 10.0	NE	.00	.0	—	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest O	2.00	.00	.0	2.50	2.00	7.38	2.00	5	.03	.18	- 83.3	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Frisch's A	22.75	- .75	- 3.2	23.50	22.50	26.00	14.50	51	.12	.17	- 29.4	19.8	.22	1.0		fiscal	05-85	30.5	- 5.9	1.7	- 10.5	.39	- 7.1	127.3	2.7	5.0	2.0	1.15	3.6
Fuddruckers Inc M	7.88	- .38	- 4.5	8.00	7.63	14.75	6.00	1,107	1.64	2.97	- 44.8	46.3	.00	.0	—	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco O	.31	- .06	- 16.7	0.44	0.31	3.00	.25	81	.27	.80	- 66.3	NE	.00	.0	—	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	14.50	.00	.0	15.25	14.50	15.25	10.50	10	.14	.46	- 69.6	7.4	.00	.0	—	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger M	6.00	- .13	- 2.0	6.13	5.88	6.25	3.63	205	.71	2.43	- 70.8	NE	.00	.0	—	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen O	63.00	.00	.0	67.00	63.00	65.00	39.00	12	.06	.16	- 62.5	15.4	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab M	19.00	- .13	- .7	19.25	18.75	24.75	15.25	248	.86	1.88	- 54.3	12.5	.00a	.0		fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB Restaurant M	13.50	- .25	- 1.8	13.50	13.25	15.50	9.09	1,052	2.28	2.99	- 23.7	17.8	.16	1.2	—	9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc M	23.25	1.13	5.1	23.38	21.50	23.25	14.25	11,028	6.98	3.63	92.3	16.5	.12	.5	—	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp A	3.50	- .25	- 6.7	3.88	3.50	4.38	1.13	266	1.09	1.46	- 25.3	3.9	.00	.0	—	6 mos.	03-85	5.6	- 12.5	(.1)	NE	(.06)	NE	10.8	- .9	3.8	NE	1.61	NE
Karcher Carl M	16.25	.13	.8	16.50	16.25	25.25	13.50	558	.79	1.48	- 45.6	14.6	.00	.0	—	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Kelly-Johnston O	.19	.00	.0	0.31	0.19	4.13	.19	485	.57	1.00	- 43.0	NE	.00	.0	—	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest A	2.00	.25	14.3	2.00	1.63	3.50	1.50	145	.26	.35	- 25.7	NE	.00	0	—	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.29)	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe N	35.25	- .13	- .4	35.88	34.13	37.38	26.38	188	.15	.40	- 62.5	22.7	.60	1.7	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	19.38	.63	3.3	19.38	19.00	19.38	13.88	136	.27	.26	3.8	12.1	.30	1.5	—	fiscal	05-85	40.9	3.5	2.6	13.0	.50	13.6	131.8	4.0	8.2	10.8	1.60	11.1
Marriott Corp N	94.00	- .50	- .5	94.88	93.38	100.00	70.00	631	.24	.54	- 55.6	16.5	.54	.6	—	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	2.25	- .13	- 5.3	2.38	2.00	6.00	2.25	348	.70	.21	233.3	NE	.00	.0	—	6 mos.	07-85	3.3	13.8	(.1)	- 100.0	(.02)	- 100.0	6.4	20.8	(.1)	- 100.0	(.02)	- 100.0
Max & Erma's O	2.50	- .13	- 4.8	3.00	2.50	4.75	2.50	0	.00	.08	-100.0	NE	.00	.0	—	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp N	65.63	1.00	1.5	65.63	64.50	70.00	48.50	7,236	.84	.90	- 6.7	14.2	.90	1.4	—	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures M	10.63	- .38	- 3.4	11.00	10.50	12.25	9.75	817	1.67	.76	119.7	13.1	.00	.0	—	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc M	19.75	- .25	- 1.3	20.13	19.75	21.88	15.50	894	.67	1.43	- 53.1	12.9	.48	2.4	—	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak O	1.50	.00	.0	1.63	1.50	3.13	1.13	403	.84	.74	13.5	NE	.00	.0	—	9 mos.	06-85	7.0	- 59.1	(.5)	NE	(.11)	NE	21.8	- 56.2	(.6)	NE	(.14)	NE
Nankin Express O	.50	.00	.0	0.81	0.50	2.38	.50	51	.23	.87	- 73.6	NE	.00	.0	—	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans M	4.31	.19	4.5	4.38	4.13	4.50	2.00	416	1.87	.79	136.7	13.5	.05	1.2	—	fiscal	03-85	4.5	9.8	(.2)	NE	(.07)	NE	21.7	8.5	.7	75.0	.32	68.4
Natl Pizza M	12.25	.00	.0	12.75	12.25	12.88	7.50	35	.06	.98	- 93.9	16.6	.00	.0	—	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc M	3.88	- 1.00	- 20.5	4.75	3.63	9.38	3.88	1,598	3.52	2.55	38.0	NE	.00	.0	—	9 mos.	03-85	27.4	11.8	(2.0)	NE	(.44)	NE	93.3	6.5	(1.7)	NE	(.38)	NE
Noble Roman O	7.25	.00	.0	8.00	7.25	8.50	6.13	2	.02	.36	- 94.4	60.4	.00	.0		6 mos.	06-85	5.5	25.0	(.1)	- 100.0	(.02)	- 100.0	10.2	14.6	(.2)	- 100.0	(.13)	- 100.0
1 Potato 2 O	.75	.00	.0	1.13	0.75	6.13	.50	44	.20	.52	- 61.5	NE	.00	.0	—	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd M	5.00	.50	11.1	5.00	4.63	5.25	4.00	481	3.44	.89	286.5	7.9	.00	.0	—	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet M	7.63	.00	.0	7.75	7.50	8.38	6.00	310	.83	2.18	- 61.9	13.6	.13	1.7	—	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants M	.19	.00	.0	0.19	0.13	1.63	.13	102	.12	1.46	- 91.8	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	22.00	.38	1.7	22.00	21.50	24.13	16.50	308	.51	.88	- 42.0	13.9	.60	2.7	—	fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn A	8.00	- .13	- 1.5	8.13	7.75	12.00	6.88	239	.79	.90	- 12.2	NM	.08	1.0	—	6 mos.	06-85	50.6	4.1	.3	- 72.7	.10	- 71.4	98.3	13.0	.4	- 78.9	.14	- 77.0



Source: Media General Financial Services

Oct. 28, 1983 = 100



		Stock Market											Financial Update																	
		Price							Volume				P/E	Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
		9-06-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend				New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-		$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Po-Folks	M	13.50	.00	0	13.50	13.13	15.13	8.75	49	.11	1.13	- 90.3	17.5	.00	.0	.....	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys	N	11.00	- .88	- 7.4	11.88	10.88	21.00	10.75	2,812	2.71	1.66	63.3	24.4	.40	3.6	.....	3 mos.	05-85	117.2	- 1.3	.8	- 82.2	.08	- 85.5	117.2	- 1.3	.8	- 82.2	.08	- 85.5
Primo Inc	O	1.63	.13	8.3	1.88	1.50	4.63	1.50	144	.43	.62	- 30.6	NM	.00	.0	.....	9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants	M	6.75	.00	0	7.00	6.50	16.00	6.75	533	.78	.73	6.8	NC	.00	.0	.....	fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc	A	5.25	- .28	- 5.1	5.38	5.00	6.59	3.84	520	1.31	.84	56.0	15.9	.10	1.9	.....	6 mos.	06-85	35.8	9.1	.6	.0	.18	20.0	69.0	9.9	.3	- 50.0	.09	- 40.0
Rest Mgmt	M	13.25	.50	3.9	13.25	12.50	15.00	6.75	182	.86	1.24	- 30.6	18.9	.08	.6		9 mos.	07-85	8.5	28.8	.5	25.0	.15	- 11.8	26.7	34.8	1.5	36.4	.54	10.2
Rest Systems	M	14.75	.50	3.5	14.88	14.25	16.50	11.75	123	.53	1.03	- 48.5	16.0	.00	.0		6 mos.	06-85	9.6	18.5	.6	20.0	.23	4.5	20.1	8.6	1.1	10.0	.46	7.0
Ritzys G D	M	2.00	- .06	- 3.0	2.13	2.00	4.75	1.75	209	.40	.82	- 51.2	NE	.00	.0	.....	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican	M	16.00	.38	2.4	16.25	15.63	18.25	11.00	373	1.32	1.26	4.8	18.6	.00	.0		fiscal	07-85	19.2	61.3	1.2	71.4	.44	37.5	53.7	47.1	2.3	27.8	.86	1.2
Ryan's Fam	M	17.50	.50	2.9	17.50	16.75	19.25	11.34	1,596	2.30	1.40	64.3	28.7	.00	.0	.....	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp	N	27.50	.13	.5	27.63	26.75	35.00	24.50	480	.37	1.41	- 73.8	12.6	.52	1.9	.....	fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef	M	7.63	- .13	- 1.6	8.00	7.63	8.88	6.88	66	.52	.63	- 17.5	13.4	.00	.0	.....	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley	M	5.13	- .75	- 12.8	5.63	4.88	9.50	5.13	1,373	4.32	3.33	29.7	2.7	.00	.0	.....	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc	M	27.00	- 1.25	- 4.4	27.75	26.75	31.88	21.94	2,114	.74	1.22	- 39.3	27.6	.15	.6		9 mos.	07-85	134.2	13.9	10.4	26.8	.36	20.0	413.8	14.9	27.6	26.0	.96	20.0
Shoney's South	M	11.88	- .13	- 1.0	11.88	11.63	16.41	10.00	208	.37	1.63	- 77.3	11.0	.00	.0	.....	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	- 25.0	.51	- 25.0
SIS Cp	M	4.88	- .13	- 2.5	5.00	4.25	6.00	3.25	19	.12	.41	- 70.7	NE	.00	.0	.....	6 mos.	06-85	3.4	61.9	.0	- 100.0	.03	- 25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl	M	16.75	.50	3.1	16.75	15.75	17.75	9.16	447	.44	.75	- 41.3	16.4	.00	.0	.....	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers	M	10.50	1.38	15.1	10.50	9.13	12.50	8.75	1,273	4.86	1.40	212.8	11.4	.06	.6	.....	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality	M	4.63	.00	0	4.63	4.38	5.88	4.00	1,766	3.54	2.30	53.9	13.2	.00	.0	.....	fiscal	05-85	9.4	- 6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face	O	.69	.00	0	0.75	0.69	1.44	.50	472	.31	.37	- 16.2	NE	.00	.0	.....	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	- 100.0	(.04)	- 100.0
Swensens Inc	O	2.00	.00	0	2.25	2.00	3.38	1.50	12	.02	.23	- 91.3	NE	.00	.0	.....	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa	O	6.00	- .25	- 4.0	6.50	5.75	7.75	4.75	137	.16	.11	45.5	31.6	.00	.0	.....	6 mos.	06-85	18.9	166.2	.5	66.7	.06	- 14.3	34.1	138.5	.3	- 50.0	.04	- 73.3
Taco Viva	M	5.00	.13	2.6	5.00	4.75	7.50	4.38	92	.27	1.05	- 74.3	14.7	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's	N	10.13	- .25	- 2.4	10.38	9.88	12.38	7.88	291	.25	.53	- 52.8	14.7	.00	.0	.....	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas	O	2.00	.00	0	2.50	2.00	2.38	2.00	24	.16	.09	77.8	NE	.00	.0	.....	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs	M	21.63	- .88	- 3.9	22.25	21.00	23.75	3.84	1,281	2.89	3.80	- 23.9	60.1	.00	.0	.....	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld	N	39.25	- .13	- .3	39.38	38.75	41.13	28.00	1,784	.50	1.91	- 66.9	13.0	.48	1.2	.....	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	4.3	47.1	- 4.3	1.19	- 9.8
USACafes	M	4.88	- .25	- 4.9	5.13	4.75	6.00	3.25	946	1.51	3.31	- 54.4	13.9	.28	5.7	.....	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants	M	23.25	- 1.25	- 5.1	23.75	23.25	28.25	13.25	1,226	1.47	3.31	- 55.6	19.4	.12	.5	.....	6 mos.	04-85	85.8	61.0	1.4	- 30.0	.17	- 43.3	192.5	121.3	2.8	- 9.7	.34	- 26.1
Victoria Stations	M	2.63	.13	5.0	2.75	2.38	5.75	2.13	986	2.17	1.88	15.4	NE	.00	.0	.....	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl	N	16.00	.00	0	16.13	15.50	19.13	12.19	12,559	1.71	1.25	36.8	16.0	.21	1.3	.....	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer	M	14.00	1.00	7.7	14.00	12.00	14.00	9.00	94	.77	.40	57.1	23.0	.20	1.4	.....	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp	N	5.50	- .25	- 4.3	5.75	5.25	9.75	5.13	303	.76	.77	- 1.3	NM	.00	.0	.....	6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																														
Brock Hotel Cp	N	2.00	.13	6.7	2.00	1.75	5.13	1.75	1,034	.73	.73	.0	NE	.10	5.0	.....	6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels	N	60.25	- .38	- .6	60.63	59.75	73.50	49.38	2,519	1.02	.76	34.2	12.7	1.80	3.0	.....	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp	N	50.75	.75	1.5	50.75	48.75	58.13	35.25	5,374	1.97	1.34	47.0	12.1	1.00	2.0	.....	6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn	N	34.13	- 2.13	- 5.9	36.38	34.00	36.75	16.13	924	.48	.96	- 50.0	30.2	.09	.3	.....	9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns	N	8.50	.50	6.3	8.63	7.88	9.50	5.13	9,098	2.45	3.46	- 29.2	60.7	.00	.0	.....	6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	- 1.3	1.0	25.0	.03	- 50.0
Servico Inc	M	19.00	- .50	- 2.6	19.50	18.75	21.38	13.44	109	.31	.42	- 26.2	9.5	.00a	.0	.....	6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl	M	23.00	.00	0	25.50	23.00	27.00	18.50	0	.00	.05	-100.0	7.1	.40	1.7	.....	6 mos.	06-85	20.9	- 6.7	1.8	- 14.3	1.65	- 19.6	32.9	- 9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																														
Allegheny Bev	M	17.38	- .63	- 3.5	18.00	17.25	22.63	15.25	1,109	1.84	1.66	10.8	1.6	.40	2.3	.....	3 mos.	06-85	225.3	88.9	69.9	3395.0	11.20	3400.0	225.3	88.9	69.9	3395.0	11.20	3400.0
Arden Intl	O	2.50	.25	11.1	2.63	2.25	2.75	1.13	154	.66	.50	32.0	NE	.00	.0	.....	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Ch Full O Nut	N	9.13	.50	5.8	9.38	8.75	11.41	7.03	579	1.18	.61	93.4	NM	.00a	.0	.....	9 mos.	04-85	29.9	4.2	.1	- 66.7	.02	- 66.7	87.1	.2	.4	- 60.0	.09	- 57.1
Disney, Walt	N	88.25	- 1.13	- 1.3	89.38	87.50	95.00	53.63	1,513	.46	1.61	- 71.4	49.9	1.20	1.4	.....	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills	N	58.13	1.25	2.2	58.75	56.50	64.00	47.75	7,484	1.68	1.15	46.1	35.7	2.24	3.9		fiscal	05-85	984.6	- 27.7	(108.5)	- 100.0	.84	- 6.7	4285.2	- 23.5	(72.9)	- 100.0	1.63	- 67.3
Grace W R	N	42.38	- .25	- .6	42.88	42.25	45.00	38.50	1,989	.41	.96	- 57.3	12.3	2.80	6.6	.....	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart	A	8.25	- .50	- 5.7	8.88	8.25	14.00	7.88	841	.69	1.10	- 37.3	NM	.00a	.0	.....	6 mos.	06-85	91.3	- 2.6	(1.7)	- 100.0	(.15)	- 100.0	173.6	- 3.6	(1.7)	- 100.0	(.16)	- 100.0
Ogden Corp	N	29.88	.00	0	30.25	29.63	34.25	24.13	2,958	1.55	1.02	52.0	17.2	1.80	6.0	.....	6 mos.	06-85	NC	NC	5.4	- 53.0	.27	- 55.0	502.3	- 53.8	17.4	- 25.0	.90	- 25.6
PepsiCo Inc	N	58.88	- .63	- 1.1	59.50	58.50	60.50	39.88	4,907	.52	1.46	- 64.4	10.6	1.78	3.0	.....	6 mos.	06-85	1880.8	- .3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co	N	52.88	1.25	2.4	53.13	51.25	56.63	37.50	3,088	.71	.89	- 20.2	12.5	1.56	3.0	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	- 17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec	O	3.50	.00	0	4.25	3.50	4.50	3.50	14	.08	.08	.0	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Reynolds, RJ	N	27.75	.25	.9	28.00	27.25	35.00	25.50	9,808	.39	1.11	- 64.9	8.6	1.40	5.0	.....	6 mos.	06-85	3404.0	31.0	228.0	- 14.3	.86	- 3.4	6302.0	34.4	410.0	- 5.1	1.52	7.0
Vie de France	M	10.00	.38	3.9	10.00	9.38	14.38	8.13	338	.31	1.34	- 76.9	19.2	.23	2.3	.....	fiscal	06-85	14.6	- 2.0	1.1	- 38.9	.10	- 41.2	63.1	14.3	5.6	- 5.1	.52	- 10.3

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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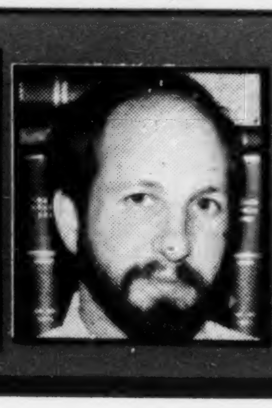
NEWSPAPER

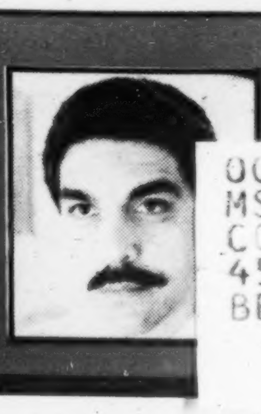
Operators adding takeout, delivery

Focus cover story/Page F3



Wendy's ads seen as hardly fresh

Promo Perspective/Page 18



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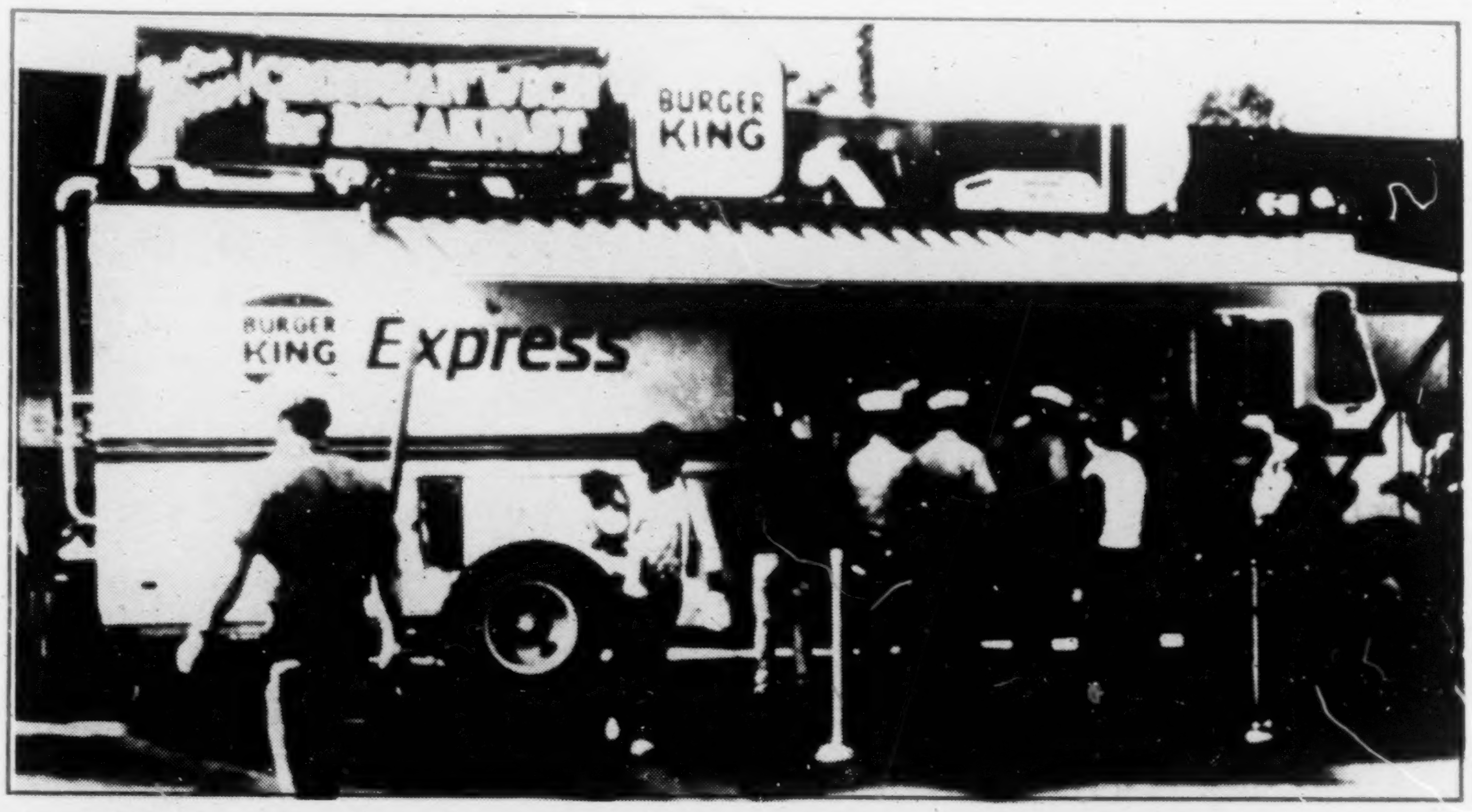


One of Burger King's mobile "Express" units draws a crowd in California.

Burger King hits the road

Fleet of mobile units bringing burgers to customers

By David Zuckerman

MIAMI — Drawing on an idea that is both antique and revolutionary, Burger King has set its wheels in motion to produce a fleet of 20 mobile "Express" units that will feature a full menu—minus the salad bar—and the ability to roam from site to site in search of customers.

"We see this idea as potentially very big," said Steve Finn, who is heading up the project as Burger King's new vice president and general manager of mobile restaurants. "These will be used like regular units except that at closing time we can just drive them away. This negates certain fixed costs associated with our standard restaurants."

Applications for these roving Burger Kings are numerous, Finn pointed out, citing college campuses, seasonal resorts, construction sites and military bases as immediate examples. In addition, he said, the mobiles can serve as "host kitchens" for the chain's future endeavors in the home delivery business.

"Quite possibly we'll be testing delivery service from an Express unit by November, somewhere in the Miami area," Finn said.

While the first restaurants on wheels appeared long before the advent of modern fast food, the notion became obso-

*(See **MOBILE**, Page 13)*

Independents voice concerns

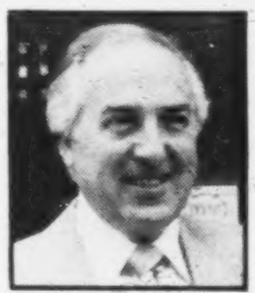
Cite slump and meal tax 'cap'

By Paul Frumkin

TORONTO — Top American independent restaurateurs and chefs temporarily abandoned the festivities at this year's *Travel/Holiday* Awards Reunion here to address a potential powder keg of problems confronting them back home.

Foremost among the difficulties independents said they are facing are the rapidly decreasing availability of third-party liability insurance, flagging sales, staggering competition and the looming specter of the Treasury Department's $25 business meal tax deduction cap.

The awards reunion—a five-day conference presented annually by *Travel/Holiday* magazine to honor outstanding restaurants throughout the United States, Canada and Mexico—gave an estimated 400 participants the opportunity to voice their complaints and concerns both privately to their peers as well as communally in roundtable group sessions.



Don Dianda

John Foy

And while discussions touched on everything from the rising popularity of Cajun cooking to the decreasing consumption of beef, certainly one of the most explosive issues here was the declining availability and subsequent skyrocketing costs of third-party liability coverage.

Ted Balestreri, president of the National Restaurant Association and co-owner of four California restaurants, told participants third-party liability is the biggest problem facing restaurateurs today.

Former NRA president Harris Machus, owner of six Michigan restaurants, concurred, adding that he had only recently renewed his liability coverage, and that most insurance companies in his area are refusing restaurants coverage. Of the four

*(See **INDEPENDENTS**, Page 73)*

Rax presidency goes to insider

Long search yields Ritter

Larry Ritter

By D. M. Levine

COLUMBUS, Ohio — Larry R. Ritter, a one-time computer salesman who joined Rax Restaurants Inc. more than seven years ago when it was a fledgling enterprise, has been named president and chief operating officer of the company.

Ritter, 42, had been executive vice president in charge of franchising. He takes over the day-to-day operation of the 453-unit chain while its founder and current president, J. Pat Ross, retains the titles of chairman and chief executive officer, with responsibility for long-range planning.

In an interview the newly appointed president said that, while corporate goals will remain essentially unchanged, he sees his major mission as boosting unit volumes and maintaining the company's image as an industry innovator through the introduction of new menu items.

"It's a major challenge," he said. "Consumers are much more price conscious and they expect a lot more value for their money than they did a few years ago."

The appointment, which came after a search of more than 10 months, caps a series

*(See **RAX**, Page 73)*

Shifts confront restaurateurs

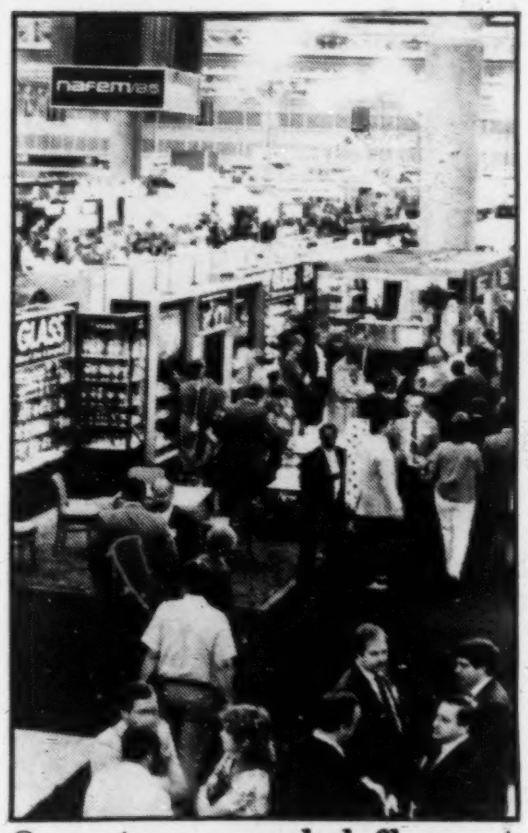
Campbell warns of industry peril

NEW ORLEANS — Top management's prime responsibility is "to make sure there is a future free of risk in a company," Burger King chairman and ceo Jeffrey Campbell declared in the opening address of the biannual National Association of Food Equipment Manufacturers (NAFEM) convention here earlier this month.

Campbell on advertising perspectives, page 18.

(Campbell will be a headline speaker on the first morning of *Nation's Restaurant News'*

*(See **CAMPBELL**, Page 73)*



Operators crowded floor at NAFEM Show in New Orleans.

Equipment needs cited at NAFEM

By Howard Riell

NEW ORLEANS — Food-service operators will demand more from their equipment in the years ahead to keep pace with rising costs, shifting consumer tastes and an increasingly uneducated work force, a panel of Denny's executives said at a seminar audience at the National Association of Food Equipment Manufacturers (NAFEM) show here.

Panel member agreed that in the kitchens of the future operators would need equipment that is smaller, simpler to operate and service and capable of doing more things.

*(See **NAFEM**, Page 73)*

Sluggish sales seen for industry: IMFA

By Rick Telberg

NEW YORK — Predicting that fast-food outlets will profit at the expense of full-service restaurants, the International Foodservice Manufacturers Association projected no relief in 1986 from generally sluggish industrywide sales trends.

In the first of three one-day seminars for its members, analysts sponsored by the trade group said sales at all the nation's food-service outlets would rise a scant inflation-adjusted 1.5% in 1986, a rate unchanged from the group's 1985 preliminary estimate.

"In a nutshell," said Ron Paul, president of Technomic Consultants Inc., "we're predicting more of the same. It's a maturing market in which the key is now gaining a competitive advantage."

In 1984 the overall industry grew 2.8% after inflation, the IFMA analysts said.

They predicted that menu price inflation would accelerate to 5.1% annually in 1986, up from 4% this year and 4.3% in 1984.

Sales at the nation's full-service, full-menu restaurants, which trade in the mid-priced segment of the eating-out market, will increase 4%, to $52.59 billion, next year, slower than both this year's 5.7% rate and 1984's 5.5% gain.

But with menu price hikes accelerating to 5% in 1986—up from 3.9% this year and 4.3% in 1984—sales in the segment will decline 1% in 1986, the first such decline since a 3.5% retrenchment in 1980, the IFMA said.

"The midpriced segment is getting squeezed," Paul said. "Fast-food places are undercutting it on price, and more upscale places are getting the heavy spenders."

At fast-food outlets, the IFMA projected sales will rise a strong 10% in 1986, to $56.1 billion, or 4.7% after 5.3% price increases.

This year, the IFMA projected fast-food sales grew 7.2% before inflation and 3.2% after adjustment. In 1984 nominal growth was 12.6% with real growth of 8%.

The IFMA study is one of a handful of widely followed economic reports on food-service trends. The National Restaurant Association is generally considered the provider of definitive economic data on the industry.

The IFMA's study differs from NRA data in that it excludes alcoholic beverage sales from certain categories and assigns a retail value to the tax-subsidized meals served by schools, hospitals and other institutions.

The IFMA, based in Chicago, has about 400 members, many of them food processors who sell to the restaurant industry.

The data were unveiled at a series of conferences, billed as the 14th Annual Food Service Forecast and Outlook Seminars.

IFMA FORECAST FOR 1986

(Selected Data)

	1986 ($ billions)	Annual Percentage Change Nominal	Annual Percentage Change Real
Fast Food	$ 56.10	10.0	4.7
Restaurants	52.59	4.0	−1.0
Total "Public"	131.30	7.0	1.9
Health Care*	13.09	3.7	−1.2
Business & Industry*	13.34	7.1	2.0
Schools*	12.74	4.5	−0.5
Vending*	12.43	7.6	2.5
Colleges*	5.57	5.5	0.5
Total "Captive"*	67.20	5.7	0.7
Grand Total*	198.51	6.6	1.5

Source: International Foodservice Manufacturers Association

*Adjusted to estimated retail value of tax-subsidized meals.

Seafood Broiler plans to add 15 units by 1987

By Paul Frumkin

NEW YORK — Seafood Broiler, the 20-unit California restaurant chain that pioneered mesquite grilling in the 1970's, will nearly double in size by 1987, according to president Alain Dupuis.

Speaking at a meeting here, Dupuis said he expects to add three more units to the chain by the end of 1985 and at least another dozen within the next two years. All restaurants will be located in California.

The Seafood dinnerhouse chain has enjoyed a steady but measured growth since it was purchased from founders Stephen Stiefel and Del Allen in 1983 by the French-owned Accor Corp.—which also owns and operates a number of Sofitel, Novetel and Ibis hotels in the United States.

Dupuis pointed out that same-store sales at Seafood Broiler have increased more than 30%, to $2.5 million, up from $1.9 million when Accor purchased the company two years ago. New units are grossing as high as $2.8 million each, he added.

Chainwide sales have also kept pace with growth. Sales for fiscal 1984 totaled $42 million, up 68% from $25 million in 1982. And Dupuis predicted sales would rise another 47%, to $62 million, by fiscal 1986.

The chain earned a net profit of $2 million in 1984 and, ac-

*(See **SEAFOOD,** page 13)*

'85 food prices lagging cost of living increases

***NRN* Special Report**

The law of supply and demand seems to have taken over from the law of inflation this year. In fact, the relative stability of food prices for the first half of the year, combined with the generally good news on current crops, has produced the normal rise and fall of prices according to supply level and consumer demand.

Commodities

Some of the products that have shown declines from last year are almonds, beef, lobster, butter, corn (canned), coffee, grapes, hams, king crab, lentils, lima beans, pork, potatoes, rice, scallops, shortening, strawberries (fresh), tuna, vegetables (fresh) and wheat flour, to name a few. Of course, some foods have gone up, too: black pepper, broilers, catfish, cod, dried beans, eggs, lamb, most canned and frozen fruits, red salmon (canned) and more.

But, in general, prices for food have moved up less overall than the cost of living—which has had a very moderate increase from the 1984 level.

Prices have been following the law of supply and demand. In the case of beef, there has been a lowered demand from consumers, who are switching to other protein sources: poultry, seafood, pasta. However, supply was up. Feedlot operators had started to stock up with feeder cattle last winter, expecting demand to be strong this year.

Instead, they ended up with large inventories of cattle, which they decided to hold in the hope prices would rise. They did not, so the feedlots have been selling them off and adding to the oversupply. However, a U.S. Department of Agriculture survey at the end of last month showed there was a 6% drop in the number of cattle in feedlots from last year's numbers.

One other complication has hit the supply. Many ranchers are heavily in debt and have been liquidating their herds instead of breeding. That bodes ill for the long term, and some experts believe beef prices will soar by winter.

Oversupply is affecting pork prices as well. Farmers have been marketing more hogs this year than anticipated, and the drop in red meat consumption has hit them, too. Hogs, however, have a shorter gestation period and a much shorter growth period than do cattle, so farmers depleting their herds can turn the situation around quickly.

Despite low feed costs, broiler prices have been riding higher than they were last year during most of the summer. Coupled with strong demand from consumers, who consider chicken a "lighter" meat, that has kept prices higher than they were last year despite higher production and a larger-than-normal supply of frozen poultry.

Seafood is a less controllable commodity. Tuna imports are up over 30% of last year's rates, and prices have dropped. King

*(See **COMMODITIES,** page 9)*

PRICE MOVEMENT AT A GLANCE

	Sept. 9, 1984	Aug. 9, 1985	Sept. 9, 1985
Almonds, blanched nonpareil, 20/22, Calif. (lb.)	$1.66	$1.63	$1.39
Beans, lima, large dry, Calif. (lb.)	$0.60-$0.62	$0.375-$0.38	$0.35
Beef, Choice, 700-900 lb., Midwest (lb.)	$0.98	$0.81	$0.79
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.5830	$0.5116	$0.5812
Cod, frozen, block & slab, imported, Boston (lb.)	$0.95-$0.98	$1.06-$1.08	$1.10-$1.13
Eggs, Grade A, large white, Chicago (doz.)	$0.66	$0.63-$0.66	$0.69-$0.72

Source: *NRN* Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

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National Prepared Frozen Foods regional insert appears on pages 29-30.

Vol. 19, No. 39 September 23, 1985

NRN stock index slips for third week; down 1.1 to 125.6

NEW YORK — As prices tumbled on major stock exchanges in the week ended Sept. 13, the *Nation's Restaurant News* Food-Service Operators Index fell for the third consecutive week, dropping 1.1 points to close at 125.6.

The Dow Jones Industrial Average finished the week at 1,307.68, a 28.01-point decline. Analysts said prices went down because of uncertainty about the economy and a wave of technical selling related to index options contracts.

On *NRN*'s complete 116-issue listing of food-service and related companies, only 17 stocks gained in price, while 82 dropped and 17 were unchanged. A total of 54 issues traded at higher volumes than their previous 12-week averages, while 62 traded at lower volumes.

McDonald's had the biggest trading volume of the week: more than 2.2 million shares changed hands, a 153.9% increase over the average. There was speculation that Philip Morris Inc. was looking for a fast-food chain to acquire, possibly McDonald's. The burger chain's stock price fell 63¢, closing at $65.

Naugles had the largest percentage drop in price, falling $1.63, or 41.9%, to $2.25, a new 52-week low. The company reported a net loss of $9.24 million for the year ended June 30. The previous year's loss was $5.07 million.

Other stocks that closed at new lows included: Ponderosa, down 25¢ to $10.75; Horn & Hardart, down 38¢ to $7.88; Flakey Jake's, down 13¢ to $3.38; Consolidated Products, down 25¢ to $3.25; Max & Erma's, down 13¢ to $2.38; Folks Restaurants, down 50¢ to $1.50; and Peoples Restaurants, down 6¢ to 13¢.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Sonesta Intl	M	442.9	A&M Food Svcs	M	127.1
El Torito Rest	N	352.9	Calibre Cp	M	118.9
Vicorp Restaurants	M	251.9	Collins Foods	N	118.1
Naugles Inc	M	219.4	Winners Cp	N	90.0
McDonald's Cp	N	153.9	Ryan's Fam	M	89.9

TOP TEN GAINERS

(Weekly Price Change, in %)

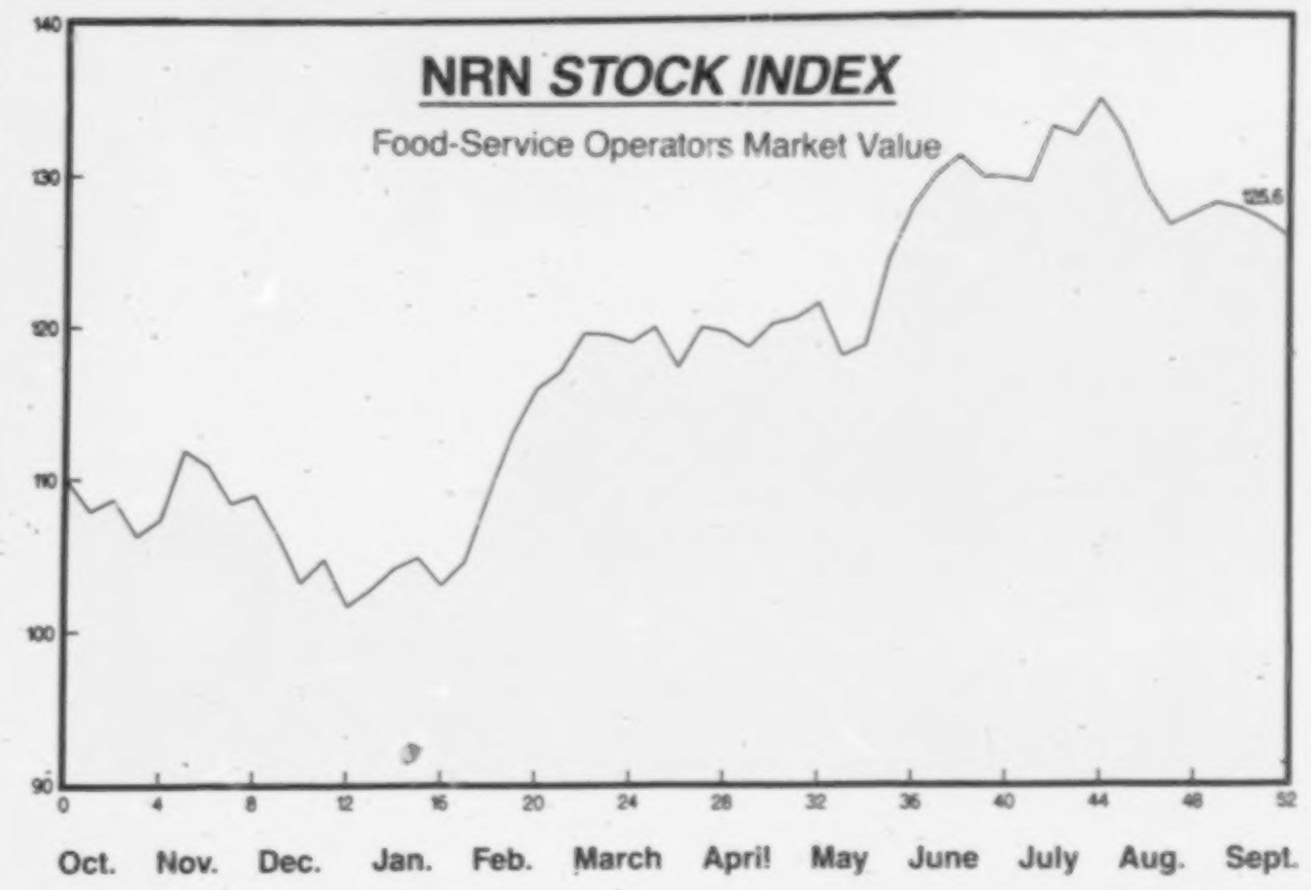
Calibre Cp	M	20.0	A&M Food Svcs	M	3.4
El Pollo Asa	O	9.1	Ritzys G D	M	3.1
Piccadilly Caf	M	6.3	SIS Cp	M	2.6
Arden Intl	O	5.0	McFaddin Ventures	M	2.4
Kapok Cp	A	3.6	Hambrg Hamlet	O	1.7

TOP TEN LOSERS

(Weekly Price Change, in %)

Naugles Inc	M	- 41.9	Intl King Tab	M	- 19.7
Peo Restaurants	M	- 33.3	Brock Hotel Cp	N	- 18.8
Folks Rest	O	- 25.0	Wstn Steer		- 33.3
Vicorp Restaurants	M	- 22.6	Folks Rest	O	- 25.0
El Torito Rest	N	- 20.8	Vicorp Restaurants	M	- 22.6

Company and Market	Stock Market											Financial Update																	
	Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	9-13-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol. As % Out	Volume Trend Change		Amt.	Yld.	New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
		Amt.	Pct.	High	Low	High	Low	Total	% Out									Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ..... M	7.50	.25	3.4	7.75	7.38	7.63	3.50	689	1.93	.85	127.1	21.4	.00	.0	.....	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests ..... M	4.88	- .13	- 2.5	5.00	4.88	5.38	3.50	22	.09	.31	- 71.0	37.5	.00	.0	.....	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants ..... O	3.38	.00	.0	3.63	3.38	4.75	2.38	80	.35	.29	20.7	67.5	.00	.0	.....	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts ..... M	12.50	- .50	- 3.8	13.25	12.50	17.13	10.75	420	.95	3.59	- 73.5	19.8	.12	1.0	.....	9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl ..... M	15.75	- 1.75	- 10.0	16.88	15.00	21.75	12.38	1,327	4.45	3.93	13.2	13.2	.00	.0		3 mos.	06-85	28.1	100.7	1.1	57.1	.36	50.0	28.1	100.7	1.1	57.1	.36	50.0
Bob Evans Farms ..... M	20.00	- 2.25	- 10.1	22.25	20.00	22.75	15.69	2,407	1.34	.96	39.6	19.2	.27	1.4	.....	3 mos.	07-85	61.9	14.6	5.0	13.6	.28	12.0	61.9	14.6	5.0	13.6	.28	12.0
Calibre Cp ..... M	1.50	.25	20.0	1.50	1.13	5.13	.63	246	.81	.37	118.9	NE	.00	.0	.....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ..... M	12.63	- 2.13	- 14.4	14.75	12.63	15.13	8.13	3,188	7.05	4.34	62.4	18.6	.16	1.3	.....	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab ..... M	1.38	- .13	- 8.3	1.50	1.31	2.63	1.31	967	.63	.81	- 22.2	NE	.00	.0	.....	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp ..... N	7.00	- .13	- 1.8	7.38	6.88	11.50	6.88	334	.43	.60	- 28.3	9.9	.07	1.0		fiscal	05-85	36.8	17.9	.7	- 41.7	.09	- 25.0	145.1	19.2	5.5	19.6	.71	4.4
Chefs Intl ..... O	.56	.00	.0	0.69	0.56	1.06	.38	546	.28	.51	- 45.1	NE	.00	.0	.....	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's ..... M	10.38	.13	1.2	10.38	10.00	15.50	9.38	6,788	2.52	4.10	- 38.5	18.5	.00	.0		3 mos.	07-85	66.6	42.9	4.5	- 10.0	.17	- 10.5	66.6	42.9	4.5	- 10.0	.17	- 10.5
Chili's Inc ..... M	24.38	- .50	- 2.0	25.13	24.25	28.88	19.00	2,167	4.66	3.90	19.5	27.7	.00	.0	.....	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch ..... N	15.25	.25	1.7	15.38	14.75	20.25	12.75	7,740	2.05	3.47	- 40.9	13.0	.44	2.9	.....	6 mos.	06-85	136.7	11.3	11.2	1.8	.30	3.4	253.0	11.4	19.1	7.9	.51	8.5
Collins Foods ..... N	15.13	- .47	- 3.0	16.34	14.88	16.69	9.09	4,038	2.05	.94	118.1	17.4	.12	.8		3 mos.	07-85	136.4	18.6	5.6	16.7	.19	- 20.8	136.4	18.6	5.6	16.7	.19	- 20.8
Concept Dev ..... M	8.75	- .75	- 7.9	9.38	7.88	16.75	5.75	1,142	2.21	3.34	- 33.8	NE	.00a	.0	.....	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts ..... M	3.25	- .25	- 7.1	3.38	3.25	5.38	3.25	48	.15	.51	- 70.6	14.8	.08	2.5	.....	9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant ..... M	3.00	.00	.0	3.13	3.00	8.00	2.88	366	.80	2.01	- 60.2	NE	.00	.0		fiscal	05-85	23.6	48.4	(11.5)	- 100.0	(2.50)	- 100.0	86.6	36.6	(15.2)	- 100.0	(3.32)	- 100.0
Cracker Barrel ..... M	12.25	- 1.25	- 9.3	14.00	12.25	19.50	11.75	996	2.80	1.79	56.4	17.0	.14	1.1	.....	9 mos.	04-85	16.0	16.8	.3	- 40.0	.07	- 61.1	46.8	18.2	.9	- 35.7	.26	- 50.0
Cucos Inc ..... O	6.75	- .25	- 3.6	7.50	6.75	7.00	2.75	131	.76	.73	4.1	42.2	.00	.0	.....	fiscal	06-85	2.0	122.2	.1	NC	.05	66.7	6.8	112.5	.3	50.0	.16	23.1
Diversifoods ..... M	11.25	- .25	- 2.2	11.50	11.25	14.63	8.00	0	.00	.14	-100.0	27.4	.34	3.0	.....	3 mos.	03-85	128.2	2.0	1.3	- 76.8	.04	- 76.5	128.2	2.0	1.3	- 76.8	.04	- 76.5
DLites Of Amer ..... M	7.75	- .25	- 3.1	8.00	7.63	15.50	7.25	1,560	3.07	3.42	- 10.2	45.6	.00	.0	.....	3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts ..... M	22.50	- 1.38	- 5.8	24.13	22.13	25.38	14.84	739	1.03	1.59	- 35.2	16.1	.24	1.1	.....	9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico ..... M	9.88	- 1.38	- 12.2	11.25	9.63	12.50	7.25	1,488	3.20	1.74	83.9	11.4	.00	.0		3 mos.	08-85	21.9	3.8	1.0	11.1	.22	10.0	21.9	3.8	1.0	11.1	.22	10.0
El Pollo Asa ..... O	4.50	.38	9.1	4.63	4.13	6.34	1.84	483	2.86	3.83	- 25.3	NE	.00	.0	.....	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest ..... N	14.25	- 3.75	- 20.8	18.00	14.00	19.25	10.63	5,116	4.62	1.02	352.9	13.2	.00	.0	.....	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest ..... M	2.13	- .38	- 15.0	2.50	2.06	3.88	1.63	1,173	1.96	1.06	84.9	NE	.00	.0	.....	6 mos.	06-85	12.3	- 2.4	(.1)	- 100.0	(.02)	- 100.0	28.6	- 3.7	.3	NC	.05	NC
Fast Food Oper ..... O	.69	- .06	- 8.3	0.81	0.69	1.31	.63	94	.16	.51	- 68.6	34.4	.00	.0		6 mos.	06-85	1.9	- 9.5	.1	.0	.01	- 50.0	3.7	- 2.6	.1	.0	.01	- 50.0
Flakey Jakes ..... M	3.38	- .13	- 3.6	3.63	3.38	8.25	3.38	3,129	4.50	3.13	43.8	NE	.00	.0	.....	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest ..... O	1.50	- .50	- 25.0	2.25	1.50	7.38	1.50	25	.17	.18	- 5.6	NE	.00	.0	.....	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Frisch's ..... A	22.13	- .63	- 2.7	22.63	22.13	26.00	14.50	102	.23	.18	27.8	19.2	.22	1.0	.....	fiscal	05-85	30.5	- 5.9	1.7	- 10.5	.39	- 7.1	127.3	2.7	5.0	2.0	1.15	3.6
Fuddruckers Inc ..... M	7.38	- .50	- 6.3	7.88	7.13	14.63	6.00	1,771	2.62	2.82	- 7.1	43.4	.00	.0	.....	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco ..... O	.31	.00	.0	0.44	0.31	3.00	.25	28	.09	.73	- 87.7	NE	.00	.0	.....	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet ..... O	14.75	.25	1.7	15.50	14.75	15.25	10.50	7	.10	.46	- 78.3	7.6	.00	.0	.....	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger ..... M	6.00	.00	.0	6.00	5.75	6.25	3.63	232	.80	2.41	- 66.8	NE	.00	.0	.....	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen ..... O	63.50	.50	.8	67.00	63.00	65.00	39.00	9	.05	.15	- 66.7	15.6	.00	.0	.....	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab ..... M	15.25	- 3.75	- 19.7	18.25	15.00	24.75	15.25	909	3.16	1.74	81.6	10.0	.00a	.0	.....	fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB Restaurant ..... M	11.50	- 2.00	- 14.8	13.00	11.25	15.50	9.09	1,292	2.80	3.01	- 7.0	15.1	.16	1.4	.....	9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc ..... M	19.75	- 3.50	- 15.1	23.25	19.63	23.25	14.25	9,307	5.89	3.92	50.3	14.0	.12	.6	.....	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp ..... A	3.63	.13	3.6	3.75	3.25	4.38	1.13	500	2.05	1.43	43.4	4.1	.00	.0	.....	6 mos.	03-85	5.6	- 12.5	(.1)	NE	(.06)	NE	10.8	- .9	3.8	NE	1.61	NE
Karcher Carl ..... M	16.00	- .25	- 1.5	16.25	15.88	25.00	13.50	580	.82	1.40	- 41.4	14.4	.00	.0	.....	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Kelly-Johnston ..... O	.19	.00	.0	0.25	0.19	4.13	.19	141	.17	.83	- 79.5	NE	.00	.0	.....	6 mos.	09-84	32.0	60.0	(9.8)	- 100.0	.44	193.3	60.3	93.9	(13.5)	- 100.0	.00	- 100.0
Lifestyle Rest ..... A	2.00	.00	.0	2.00	1.75	3.50	1.50	314	.55	.37	48.6	NE	.00	.0	.....	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.29)	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe ..... N	35.25	.00	.0	35.75	34.63	37.38	26.38	179	.15	.39	- 61.5	22.7	.60	1.7	.....	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp ..... M	18.25	- 1.13	- 5.8	19.13	18.25	19.38	13.88	184	.36	.27	33.3	11.4	.30	1.6	.....	fiscal	05-85	40.9	3.5	2.6	13.0	.50	13.6	131.8	4.0	8.2	10.8	1.60	11.1
Marriott Corp ..... N	89.50	- 4.50	- 4.8	94.25	88.50	100.00	70.00	2,795	1.08	.57	89.5	15.7	.54	.6	.....	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest ..... M	2.00	- .25	- 11.1	2.13	1.75	6.00	1.75	79	.16	.22	- 27.3	NE	.00	.0	.....	6 mos.	07-85	3.3	13.8	(.1)	- 100.0	(.02)	- 100.0	6.4	20.8	(.1)	- 100.0	(.02)	- 100.0
Max & Erma's ..... O	2.38	- .13	- 5.0	2.88	2.38	4.75	2.38	20	.11	.07	57.1	NE	.00	.0	.....	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp ..... N	65.00	- .63	- 1.0	69.00	64.38	70.00	48.50	22,273	2.59	1.02	153.9	14.0	.90	1.4	.....	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures ..... M	10.88	.25	2.4	10.88	10.50	12.00	9.75	176	.36	.73	- 50.7	13.4	.00	.0	.....	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc ..... M	18.63	- 1.13	- 5.7	19.88	18.38	21.88	15.50	1,406	1.06	1.38	- 23.2	12.2	.48	2.6	.....	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak ..... O	1.25	- .25	- 16.7	1.50	1.25	3.13	1.13	381	.80	.77	3.9	NE	.00	.0	.....	9 mos.	06-85	7.0	- 59.1	(.5)	NE	(.11)	NE	21.8	- 56.2	(.6)	NE	(.14)	NE
Nankin Express ..... O	.44	- .06	- 12.5	0.75	0.38	2.38	.38	253	1.12	.86	30.2	NE	.00	.0	.....	3 mos.	04-85	.3	50.0	(.3)	NE	(.13)	NE	.3	50.0	(.3)	NE	(.13)	NE
Nathans ..... M	4.00	- .31	- 7.2	4.25	4.00	4.50	2.00	129	.58	.81	- 28.4	12.5	.05	1.3	.....	fiscal	03-85	4.5	9.8	(.2)	NE	(.07)	NE	21.7	8.5	.7	75.0	.32	68.4
Natl Pizza ..... M	12.00	- .25	- 2.0	12.38	12.00	12.88	7.50	88	.16	.71	- 77.5	16.2	.00	.0	.....	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc ..... M	2.25	- 1.63	- 41.9	3.00	2.25	9.38	2.25	4,670	10.54	3.30	219.4	NE	.00	.0		fiscal	06-85	30.8	13.2	(7.5)	- 100.0	(1.68)	- 100.0	124.1	8.1	(9.2)	NE	(2.06)	NE
Noble Roman ..... O	7.25	.00	.0	8.00	7.25	8.50	6.13	36	.30	.36	- 16.7	60.4	.00	.0	.....	6 mos.	06-85	5.5	25.0	(.1)	- 100.0	(.02)	- 100.0	10.2	14.6	(.2)	- 100.0	(.13)	- 100.0
1 Potato 2 ..... O	.75	.00	.0	1.00	0.75	5.00	.50	21	.10	.49	- 79.6	NE	.00	.0	.....	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd ..... M	4.50	- .50	- 10.0	5.00	4.50	5.25	4.00	43	.31	.90	- 65.6	7.1	.00	.0	.....	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet ..... M	7.38	- .25	- 3.3	7.63	7.38	8.38	6.00	1,007	2.71	2.29	18.3	13.2	.13	1.8	.....	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants ..... M	.13	- .06	- 33.3	0.16	0.13	1.63	.13	1,029	1.19	1.32	- 9.8	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ..... M	23.38	1.38	6.3	23.63	21.63	24.13	16.50	1,093	1.81	.97	86.6	14.8	.60	2.6	.....	fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn ..... A	7.75	- .25	- 3.1	8.00	7.63	11.75	6.88	129	.43	.85	- 49.4	NM	.08	1.0	.....	6 mos.	06-85	50.6	4.1	.3	- 72.7	.10	- 71.4	98.3	13.0	.4	- 78.9	.14	- 77.0



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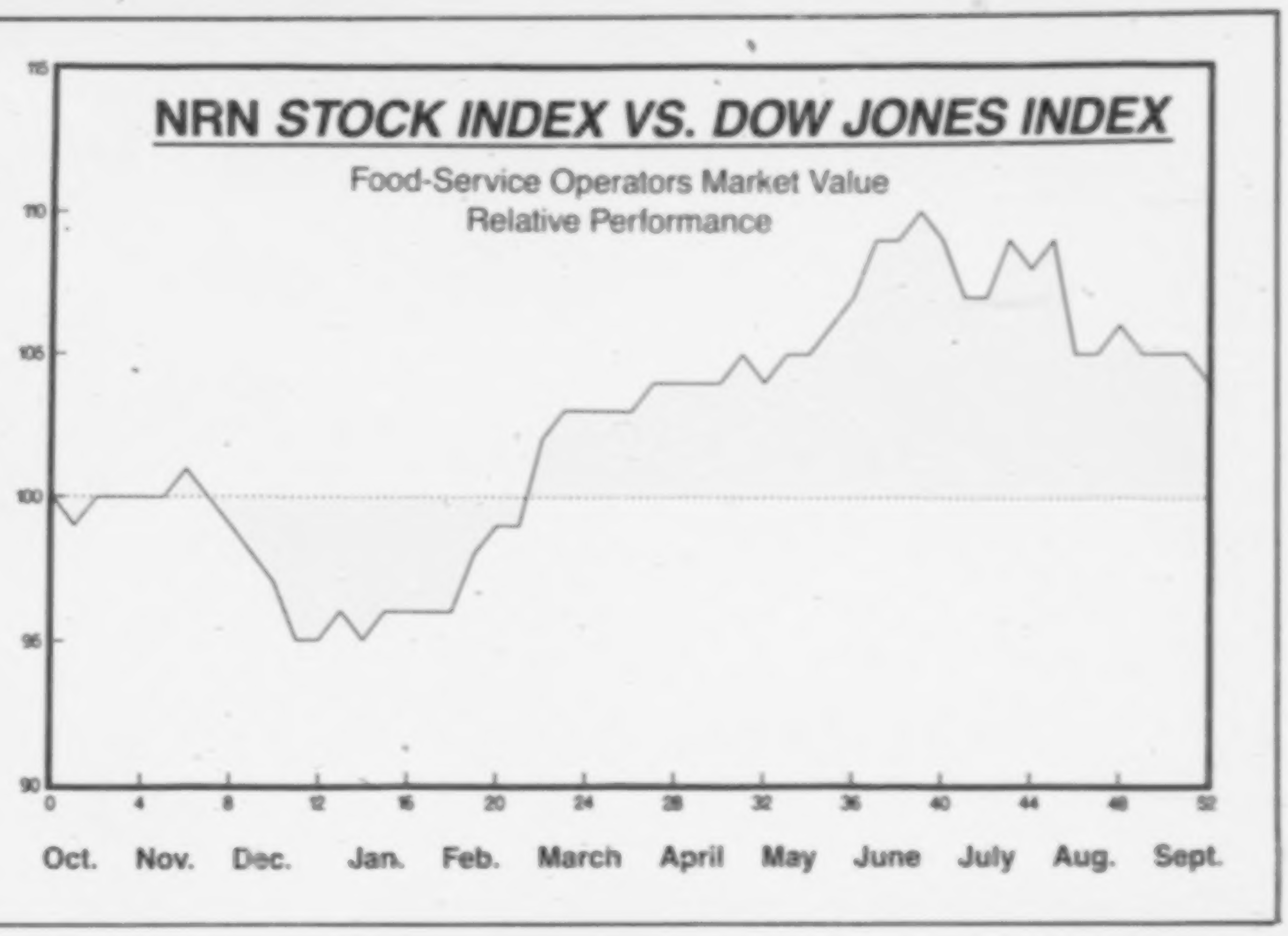
Oct. 28, 1983 = 100



Stock Market

	Price							Volume			
	9-13-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change
-	$	$	%	$	$	$	$	(100)	%	%	%
Po-Folks M	11.88	-1.63	-12.0	13.13	11.63	14.75	8.75	417	.94	1.13	-16.8
Ponderosa Sys N	10.75	-.25	-2.3	11.25	10.75	20.50	10.75	1,555	1.62	1.51	7.3
Primo Inc O	1.63	.00	.0	1.88	1.63	4.63	1.50	23	.07	.59	-88.1
RAX Restaurants M	6.50	-.25	-3.7	6.50	6.25	15.75	6.25	489	.71	.70	1.4
Rest Assoc A	5.00	-.25	-4.8	5.13	4.88	6.59	3.84	321	.81	.88	-8.0
Rest Mgmt M	12.75	-.50	-3.8	13.25	12.75	15.00	6.75	120	.57	1.16	-50.9
Rest Systems M	14.00	-.75	-5.1	15.00	14.00	16.50	11.75	100	.43	.91	-52.7
Ritzys G D M	2.06	.06	3.1	2.13	2.00	4.50	1.75	375	.72	.85	-15.3
Rusty Pelican M	15.00	-1.00	-6.3	16.25	15.00	18.25	11.00	183	.65	1.27	-48.8
Ryan's Fam M	17.00	-.50	-2.9	17.50	16.75	19.25	11.34	1,820	2.62	1.38	89.9
Saga Corp N	24.50	-3.00	-10.9	27.63	24.00	35.00	24.00	2,277	1.74	1.50	16.0
Sandwich Chef M	7.50	-.13	-1.6	8.00	7.50	8.88	6.88	31	.25	.58	-56.9
Sea Galley M	5.00	-.13	-2.4	5.13	4.75	9.50	4.75	1,209	3.81	3.52	8.2
Shoney's Inc M	25.13	-1.88	-6.9	26.75	24.88	31.88	21.94	6,513	2.29	1.30	76.2
Shoney's South M	11.38	-.50	-4.2	11.88	11.38	16.41	10.00	325	.58	1.66	-65.1
SIS Cp M	5.00	.13	2.6	5.00	4.50	6.00	3.25	61	.39	.43	-9.3
Sizzler Rest Intl M	15.75	-1.00	-6.0	16.75	15.50	17.75	9.16	825	.81	.79	2.5
Skippers M	10.50	.00	.0	10.50	10.25	12.50	8.75	793	2.90	1.63	77.9
So Hospitality M	4.50	-.13	-2.7	4.63	4.50	5.88	4.00	969	1.94	2.31	-16.0
Stuff Yer Face O	.66	-.03	-4.5	0.72	0.63	1.44	.50	483	.32	.37	-13.5
Swensens Inc O	1.75	-.25	-12.5	2.00	1.63	3.13	1.50	44	.08	.22	-63.6
Taco Villa O	5.25	-.75	-12.5	6.00	5.25	7.75	4.75	112	.13	.12	8.3
Taco Viva M	4.63	-.38	-7.5	5.00	4.63	7.50	4.38	140	.41	1.04	-60.6
TGI Friday's N	8.50	-1.63	-16.0	10.25	8.38	12.38	7.88	1,073	.93	.55	69.1
TGIF Texas O	2.00	.00	.0	2.50	2.00	2.38	2.00	25	.17	.09	88.9
TCBY Entrprs M	20.13	-1.50	-6.9	21.75	19.75	23.75	4.09	1,835	4.21	3.96	6.3
Transworld N	39.00	-.25	-.6	41.00	38.75	41.13	28.00	6,568	1.85	1.55	19.4
USACafes M	4.88	.00	.0	5.00	4.63	6.00	3.25	1,191	1.89	3.20	-40.9
Vicorp Restaurants M	18.00	-5.25	-22.6	20.50	17.88	28.25	13.25	13,409	15.94	4.53	251.9
Victoria Stations M	2.50	-.13	-4.8	2.63	2.25	5.38	2.13	515	1.13	1.73	-34.7
Wendys Intl N	15.25	-.75	-4.7	16.25	15.13	19.13	12.19	9,979	1.36	1.25	8.8
Wstn Steer M	11.50	-2.50	-17.9	13.50	11.50	14.00	9.00	101	.83	.53	56.6
Winners Cp N	5.25	-.25	-4.5	5.50	5.25	8.88	5.13	609	1.52	.80	90.0
Hotels, Motels, and Casinos											
Brock Hotel Cp N	1.63	-.38	-18.8	2.00	1.50	5.13	1.50	1,212	.86	.76	13.2
Hilton Hotels N	59.25	-1.00	-1.7	60.63	59.13	73.50	49.38	2,818	1.14	.78	46.2
Holiday Cp N	51.38	.63	1.2	51.63	50.00	58.13	35.25	4,806	1.77	1.39	27.3
Prime Mtr Inn N	33.00	-1.13	-3.3	35.38	32.88	36.75	16.13	2,411	1.25	1.02	22.5
Ramada Inns N	7.88	-.63	-7.4	8.38	7.50	9.50	5.13	9,733	2.62	3.58	-26.8
Servico Inc M	19.25	.25	1.3	19.25	18.75	21.38	13.44	82	.24	.33	-27.3
Sonesta Intl M	23.00	.00	.0	23.63	23.00	27.00	18.50	58	.38	.07	442.9
Other Companies with Food-Service Operations											
Allegheny Bev M	17.25	-.13	-.7	17.63	17.13	22.63	15.25	624	1.04	1.69	-38.5
Arden Intl O	2.63	.13	5.0	2.88	2.50	2.75	1.13	167	.71	.52	36.5
Ch Full O Nut N	8.25	-.88	-9.6	9.25	8.13	11.41	7.03	403	.82	.64	28.1
Disney, Walt N	84.13	-4.13	-4.7	89.13	83.00	95.00	53.63	7,968	2.41	1.64	47.0
Gen Mills N	56.75	-1.38	-2.4	59.50	56.13	64.00	47.75	3,475	.78	1.14	-31.6
Grace W R N	42.25	-.13	-.3	42.63	41.25	45.00	38.50	2,064	.43	.88	-51.1
Horn.& Hardart A	7.88	-.38	-4.5	8.38	7.88	13.13	7.88	988	.81	1.09	-25.7
Ogden Corp N	30.00	.13	.4	30.25	29.63	34.25	24.13	1,823	.96	1.03	-6.8
PepsiCo Inc N	57.88	-1.00	-1.7	59.50	57.38	60.50	39.88	10,683	1.14	1.38	-17.4
Pillsbury Co N	53.63	.75	1.4	54.38	52.75	56.63	38.13	4,767	1.10	.93	18.3
Restec O	3.50	.00	.0	4.25	3.50	4.50	3.50	2	.01	.05	-80.0
Reynolds, RJ N	25.88	-1.88	-6.8	28.13	25.50	35.00	25.50	21,793	.86	1.08	-20.4
Vie de France M	10.00	.00	.0	10.00	9.63	14.38	8.13	522	.48	1.02	-52.9

Financial Update

		Indicated Dvd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Po-Folks M	15.4	.00	.0	—	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys N	NM	.40	3.7		6 mos.	08-85	117.7	-6.1	1.5	-68.1	.16	-68.6	234.9	-3.7	2.3	-75.0	.24	-77.4
Primo Inc O	NM	.00	.0	—	9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants M	NC	.00	.0	—	fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc A	15.2	.10	2.0	—	6 mos.	06-85	35.8	9.1	.6	.0	.18	20.0	69.0	9.9	.3	-50.0	.09	-40.0
Rest Mgmt M	18.2	.09	.7	—	9 mos.	07-85	8.5	28.8	.5	25.0	.15	-11.8	26.7	34.8	1.5	36.4	.54	10.2
Rest Systems M	15.2	.00	.0	—	6 mos.	06-85	9.6	18.5	.6	20.0	.23	4.5	20.1	8.6	1.1	10.0	.46	7.0
Ritzys G D M	NE	.00	.0	—	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican M	17.4	.00	.0	—	fiscal	07-85	19.2	61.3	1.2	71.4	.44	37.5	53.7	47.1	2.3	27.8	.86	1.2
Ryan's Fam M	27.9	.00	.0	—	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp N	11.2	.52	2.1	—	fiscal	06-85	324.8	6.2	2.1	-67.2	.16	-66.7	1254.8	10.9	29.1	-6.1	2.18	-9.2
Sandwich Chef M	13.2	.00	.0	—	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley M	2.7	.00	.0	—	6 mos.	06-85	15.3	-7.8	.3	-81.3	.13	-68.3	29.9	-8.3	2.3	-23.3	.70	-9.1
Shoney's Inc M	20.1	.15	.6	—	9 mos.	07-85	134.2	13.9	10.4	26.8	.36	20.0	413.8	14.9	27.6	26.0	.96	20.0
Shoney's South M	10.5	.00	.0	—	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	-25.0	.51	-25.0
SIS Cp M	NE	.00	.0	—	6 mos.	06-85	3.4	61.9	.0	-100.0	.03	-25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl M	15.4	.00	.0	—	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers M	11.4	.06	.6	—	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	-2.4
So Hospitality M	12.9	.00	.0	—	fiscal	05-85	9.4	-6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face O	NE	.00	.0	—	9 mos.	12-84	.5	.0	(.4)	NC	(.03)	NC	1.5	7.1	(.6)	-100.0	(.04)	-100.0
Swensens Inc O	NE	.00	.0	—	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	-100.0
Taco Villa O	27.6	.00	.0	—	6 mos.	06-85	18.9	166.2	.5	66.7	.06	-14.3	34.1	138.5	.3	-50.0	.04	-73.3
Taco Viva M	13.6	.00	.0	—	9 mos.	02-85	5.5	-6.8	.3	-25.0	.10	-9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	12.3	.00	.0	—	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas O	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs M	55.9	.00	.0	—	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld N	13.0	.48	1.2	—	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	-7.1	1009.5	4.3	47.1	-4.3	1.19	-9.8
USACafes M	13.9	.28	5.7	—	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	-10.3
Vicorp Restaurants M	15.0	.12	.7	—	6 mos.	04-85	85.8	61.0	1.4	-30.0	.17	-43.3	192.5	121.3	2.8	-9.7	.34	-26.1
Victoria Stations M	NE	.00	.0	—	fiscal	03-85	20.3	-14.0	(2.2)	NE	(.62)	NE	93.8	-7.3	(5.9)	NE	(1.67)	NE
Wendys Intl N	15.3	.21	1.4	—	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer M	18.9	.20	1.7	—	3 mos.	05-85	11.4	20.0	.3	.0	.27	3.8	11.4	20.0	.3	.0	.27	3.8
Winners Cp N	NM	.00	.0	—	6 mos.	06-85	28.0	-.4	.2	-75.0	.06	-66.7	51.9	-1.0	(.4)	-100.0	(.10)	-100.0
Hotels, Motels, and Casinos																		
Brock Hotel Cp N	NE	.10	6.2	—	6 mos.	06-85	61.9	-9.4	(13.8)	NE	(.97)	NE	128.7	-9.0	.1	NE	.01	NE
Hilton Hotels N	12.5	1.80	3.0	—	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.06	25.8
Holiday Cp N	12.2	1.00	1.9	—	6 mos.	06-85	470.3	3.7	32.2	-7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn N	29.2	.09	.3	—	9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns N	56.3	.00	.0	—	6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	-1.3	1.0	25.0	.03	50.0
Servico Inc M	9.6	.00a	.0	—	6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl M	7.1	.40	1.7	—	6 mos.	06-85	20.9	-6.7	1.8	-14.3	1.65	19.6	32.9	-9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																		
Allegheny Bev M	1.6	.40	2.3	—	3 mos.	06-85	225.3	88.9	69.9	3395.0	11.20	3400.0	225.3	88.9	69.9	3395.0	11.20	3400.0
Arden Intl O	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Ch Full O Nut N	NM	.00a	.0	—	9 mos.	04-85	29.9	4.2	.1	-66.7	.02	-66.7	87.1	.2	.4	-60.0	.09	-57.1
Disney, Walt N	47.5	1.20	1.4	—	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills N	34.8	2.24	3.9	—	fiscal	05-85	984.6	-27.7	(108.5)	-100.0	.84	-6.7	4285.2	-23.5	(72.9)	-100.0	1.63	-67.3
Grace W R N	12.2	2.80	6.6	—	6 mos.	06-85	1908.8	9.6	41.4	-28.0	.83	-29.7	3488.8	7.7	76.9	-25.6	1.55	-26.9
Horn.& Hardart A	NM	.00a	.0	—	6 mos.	06-85	91.3	-2.6	(1.7)	-100.0	(.15)	-100.0	173.6	-3.6	(1.7)	-100.0	(.16)	-100.0
Ogden Corp N	17.2	1.80	6.0	—	6 mos.	06-85	NC	NC	5.4	-53.0	.27	-55.0	502.3	-53.8	17.4	-25.0	.90	-25.6
PepsiCo Inc N	10.5	1.78	3.1	—	6 mos.	06-85	1880.8	-.3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co N	12.7	1.56	2.9	—	fiscal	05-85	1219.4	12.6	47.3	1.3	.89	-17.6	4670.6	11.9	191.8	13.0	4.22	7.9
Restec O	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	-100.0	1.1	57.1	(.1)	NC	(.03)	-100.0
Reynolds, RJ N	8.0	1.40	5.4	—	6 mos.	06-85	3404.0	31.0	228.0	-14.3	.86	-3.4	6302.0	34.4	410.0	-5.1	1.52	7.0
Vie de France M	19.2	.23	2.3	—	fiscal	06-85	14.6	-2.0	1.1	-38.9	.10	-41.2	63.1	14.3	5.6	-5.1	.52	-10.3

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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NEWSPAPER

MUFSO: Complete preview of the Orlando conference

Focus Cover Story/Page F3

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MS. JEANNE LONG
CONGRESSIONAL INFO. SERV 12D
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

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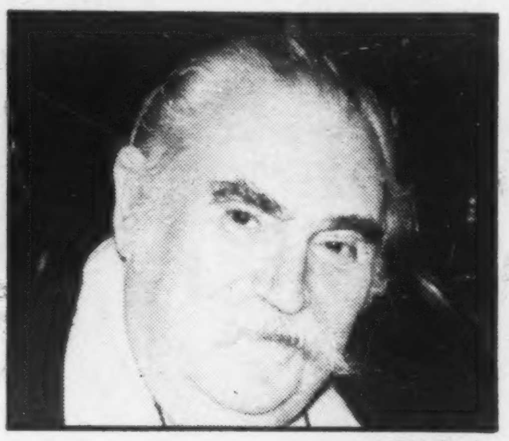
NRN Photo

Horst Mager: We try California cuisine in Oregon and suddenly people are coming up to us and saying, "What are you doing?"

NRN Photo

Graham Smith: We've begun to use a number of products indigenous to the Hawaiian islands . . . Molokai venison, Maui shrimp and Opaka-paka.



NRN Photo

Louis Szathmary: About 51% of sales at The Bakery are from beef Wellington. It scares the hell out of me to read beef Wellington is out.

'What do customers want?'

Independents grapple with changing tastes in food

By Paul Frumkin

TORONTO — American tastes in food appear to be changing so rapidly and with such unpredictability that many independent restaurateurs are beginning to feel a little uncertain about precisely what the dining-out public wants from a restaurant these days.

Although not expressed in so many words, that sobering state of affairs was made clearly apparent by participants at this year's *Travel/Holiday* Awards Reunion here. In pairs, small groups and notably in the various business sessions, numerous restaurant owners, chefs and hoteliers discussed some critical—and unanswered—questions fueling that uncertainty.

How, some participants asked, can the public on one hand popularize the intensely spicy, calorie-heavy Cajun cuisine while on the other demand lighter, more healthful dishes? Where is the logic behind the almost parallel growth in popularity of fresh seafood and rich desserts?

And, perhaps more important, should a restaurant incorporate every hot new trend that comes along or simply stick to the cooking it knows best?

Easy answers to those questions were not forthcoming. Ted Balestreri, president of the National Restaurant Association and co-

(Continued on page 11)

Liquor prices on rise Oct. 1

Federal tax to hit operators

By David Zuckerman

WASHINGTON — While Congress continues to debate the controversial $25 cap on business meal deductions, another piece of legislation—a $2-per-gallon increase in the federal excise tax on most liquor, effective Oct. 1—is expected to have a direct and immediate impact on restaurants and taverns across the nation.

Passed last year as part of the Federal Deficit Reduction Act, the 19% tax increase (from $10.50 to $12.50 per proof gallon) will effectively boost liquor prices for operators, most of whom are expected to pass those costs down to consumers in the form of higher drink prices.

"Any excise tax is generally passed onto the consumer," said Gerald Murphy, executive director of the National Licensed Beverage Association. "There will probably be an initial drop in [liquor] sales directly following the increase."

Liquor sales in the United States have already been on the decline for several years, Murphy added, "as a result of increased awareness of DWI [driving while intoxicated] problems and general health consciousness" among the population. The tax increase could further exacerbate that problem.

But restaurateurs, many of whom have already de-emphasized liquor in recent years in favor of wine, beer and wine coolers, appeared resigned to the increase. Most said they will eventually be forced to raise drink prices, but few expected a substantial sales decrease to result.

"Eventually drink prices will have to go up to reflect the change in the federal excise tax," said Mark Comisar, part owner and manager of Maisonette in Cincinnati. "We'll have to react to the market in general and specifically here in Cincinnati. But I think people will get used to the new

(Continued on page 113)

Three French chefs, Snow ink deal

By Peter Romeo

ORLANDO, Fla. — Renowned French chefs Roger Vergé, Paul Bocuse and Gaston Lenotre have agreed to jointly operate a French bakery and Spanish-style wine and hors d'oeuvres bar that is about to open at the Church Street Station food and entertainment complex here, according to Church Street owner Bob Snow.

The adjacent food outlets will be part of a new addition to the Church Street complex called the Bumby Arcade, which will also include a sidewalk cafe, banquet rooms, an adult disco and, eventually, a 300-room hotel.

Snow expects the food outlets and other attractions at the Bumby Arcade to help boost Church Street's sales this year to $17 million, as compared with last year's tally of $14.7 million.

The Morning Glory bakery and the food and wine bar, which will be part of the Orchid disco, are the first facilities at Church Street that Snow has leased to outside management. Vergé, Bocuse

(Continued on page 12)

From left, Roger Vergé Paul Bocuse, Gaston Lenôtre

BURGER KING BUS FACT SHEET

Equipment: Broiler, two french fryers, toaster, post-mix drink system, two freezers, refrigerator, holding cabinet, steamer holding cabinet, two microwave ovens, fry dump stations, POS system, mobile telephones, generator, work tables, utensils

Total equipment cost: $34,000

Total Bus cost: $100,000

Crew size: One manager and from four to eight hourly workers, depending on location and expected volume.

Number of buses: 20

Location: 10 in Europe, to be operated by the Army-Air Force Exchange Service; six in Florida; four in unspecified locations outside Florida.

How chains equip mobile outlets

By Howard Riell

With the development and introduction of new mobile restaurants, Burger King and Pizza Hut have transcended the demands that food service has traditionally made on their equipment technology.

By creating their respective Burger Bus and Pizza-2-U restaurants on wheels, the two chains have had to redesign and refine their standard equipment to function efficiently, durably—and profitably.

"It wasn't one of the easiest things we've done," said Jack Baitinger, a Burger King spokesman. "We had to try and balance electrical requirements with generators and still maintain good operational flow." The cost of the entire unit, he explained, is only $100,000.

"We were starting with something that doesn't exist," noted Pizza Hut's Mike Jen-

(Continued on page 113)

NRN LATE NEWS DIGEST

Foodmaker buyout looks imminent

ST. LOUIS — Ralston Purina has agreed to sell its 800-unit Foodmaker fast-food subsidiary for approximately $450 million to the investment banking firm of Gibbons, Green, Van Amerongen and members of Foodmaker senior management. San Diego-based Foodmaker operates the Jack in the Box chain.

This is the second attempt this year by Foodmaker senior management to take the company private. A buyout agreement announced last April was terminated because of a decline in Foodmaker's earnings, according to company spokesman Ron Penoyer.

Quake levels Mexico City hotels

MEXICO CITY — At least seven high-rise luxury hotels here, including a Sheraton, the Hotel Regis and the Hotel Versailles, were leveled by a massive earthquake that struck southwest of the city. Other properties are expected to be added to the tally as rescue workers sort through the rubble.

Mexican officials estimate that the death toll could climb to several thousand.

Neiman-Marcus adds Ritzy's

WHITE PLAINS — Neiman-Marcus has begun serving G. D. Ritzy's ice cream in its Cafe Express here. It is the first time Ritzy's ice cream, which is already sold in nearly 100 supermarkets, has been offered in a department store.

General Foods on defensive

WHITE PLAINS — Amidst Wall Street rumors that Phillip Morris Inc. might seek to acquire it, General Foods Corp. has adopted antitakeover provisions, including moves to thwart a hostile bidder from using the company's overfunded pension plan to finance a buyout.

S. F. board backs fast-food ban

SAN FRANCISCO — A Board of Supervisors committee here said it supports the moratorium on new franchised fast-food units in the North Beach section of the city, but is willing to exempt a Carl's Jr. franchisee—Tom Thompson—who has been trying to open there since before talk of the ban began.

The committee's recommendation, which must be considered by the full board before it can be implemented, is not a guarantee that Thompson will be allowed to open. However, Thompson said, he is hopeful it will sway the planning commission, which has jurisdiction over his permit application.

McDonald's expands burger test

OAK BROOK, Ill. — McDonald's has expanded its test of the McDLT, a ¼-lb. burger topped with lettuce and tomato, into about 30% of its 6,700 domestic units. The burger is expected to replace the Quarter Pounder and compete head-to-head with Burger King's Whopper.

Stein readies new restaurant

NEW YORK — Impresario Howard Stein, owner of the popular fine-dining restaurant, Prima Donna, will open another upscale spot on Dec. 1, diagonally across East 58th Street from his first.

Café Japonais, being constructed on the former site of a onetime Italian operation, Monsignore, will feature a combination French/Japanese menu, according to Stein, former owner of the defunct Manhattan discotheque, Xenon.

WALL STREET UPDATE

NRN Index falls for 4th week

NEW YORK — The *Nation's Restaurant News* Food-Service Operators Stock Index dropped 4.1 points in the week ended Sept. 20, the fourth consecutive weekly decline, to close at 121.5. Price-change losers beat out the winners, 2 to 1.

4.1

(Full story and tables, pages 114-115)

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Cini-Grissom, LFL form joint concern

By Peter Romeo

POTOMAC, Md. — Cini-Grissom Associates Inc. and LFL Consulting Group Ltd., two of the food-service industry's biggest consulting concerns, have agreed to merge as of Nov. 1.

The new company to be formed, Cini-Little Associates, is expected to bill more than $5 million annually in consulting fees from restaurants and contract feeders, according to John Cini, chief executive officer of Cini-Grissom Associates. Cini will serve as chief executive of the new company.

Cini said the new concern will maintain Cini-Grissom's offices in Washington, D.C., Cleveland, Chicago and Miami, and LFL's facilities in New York, Denver, San Francisco, Toronto and Calgary, Canada. LFL also has offices in London and Sydney, Australia.

LFL consists of several consulting concerns, including Harley, Little Associates, Flambert & Flambert, and Duane W. Newlin Associates.

"Our goal is to function as small local consultants and designers who know the local market," said Cini. "But we'll do it under the umbrella of a large corporation for functions like accounting and computer-assisted design.

"We're trying to provide all the support services that a major company like Marriott can give through people it has on staff," Cini continued. "There are a lot of small companies in food service who have to go outside for that support because of their size."

Cini noted that the services offered by Cini-Grissom and LFL overlap. He explained that both design food-service facilities, including back-of-the-house areas, originate new concepts, staff the operations, develop the menus and diagnose and troubleshoot the problems of ailing outlets.

"One of the things we're frequently doing is translating

*(See **CINI-GRISSOM**, page 113)*

Scallop crop is destroyed

Long Island restaurants, others will feel shortage effects

NEW YORK — The Long Island bay scallop harvest will be severely curtailed this year because of an algae infestation of the Peconic bay area, which is considered to be one of the richest scalloping areas on the East Coast.

According to Thomas Drumm, a spokesman for the New York State Department of Conservation, the harvest of Peconic bay scallops—which totaled 278,532 lb. in 1984 for a net worth of about $1.3 million—will fall far below last year's figures.

Restaurants most immediately affected by the shortage will be those located on Long Island. Pat Olson, director of operations for the Long Island chapter of the New York State Restaurant Association, said many white-tablecloth restaurants in the area prominently feature the seasonal Peconic bay scallops on their menus in the fall. "They're a very big item here," she noted, "and most restaurateurs are proud to serve local products."

However, since the actual bay scallop harvest on Long Island is proportionately small and because the local demand has been traditionally high, it is not anticipated that the shortage will have any significant effect nationwide. "A loss of this resource would be unfortunate," said Lee Weddig, executive vice president of the National Fisheries Institute, "but on a national perspective, Long Island bay scallops are not a major source of the total supply."

While the total bay scallop

*(See **SCALLOP**, page 113)*

SCALLOP PRODUCTION IN THE UNITED STATES

(In Millions of Pounds)

	Bay	Sea	Calico	Imported
1979	1.800	31.0	0.900	25
1980	0.968	29.0	N.A	21
1981	0.670	30.0	14.600	26
1982	1.800	21.0	11.00	21
1983	2.300	20.4	9.600	34
1984	1.700	18.0	39.000	27

Source: Marine Fisheries Service—U.S. Dept. of Commerce

Cafe prices its wine at retail

Chicago's Chardonnay also changes its menus daily

By Carolyn Walkup

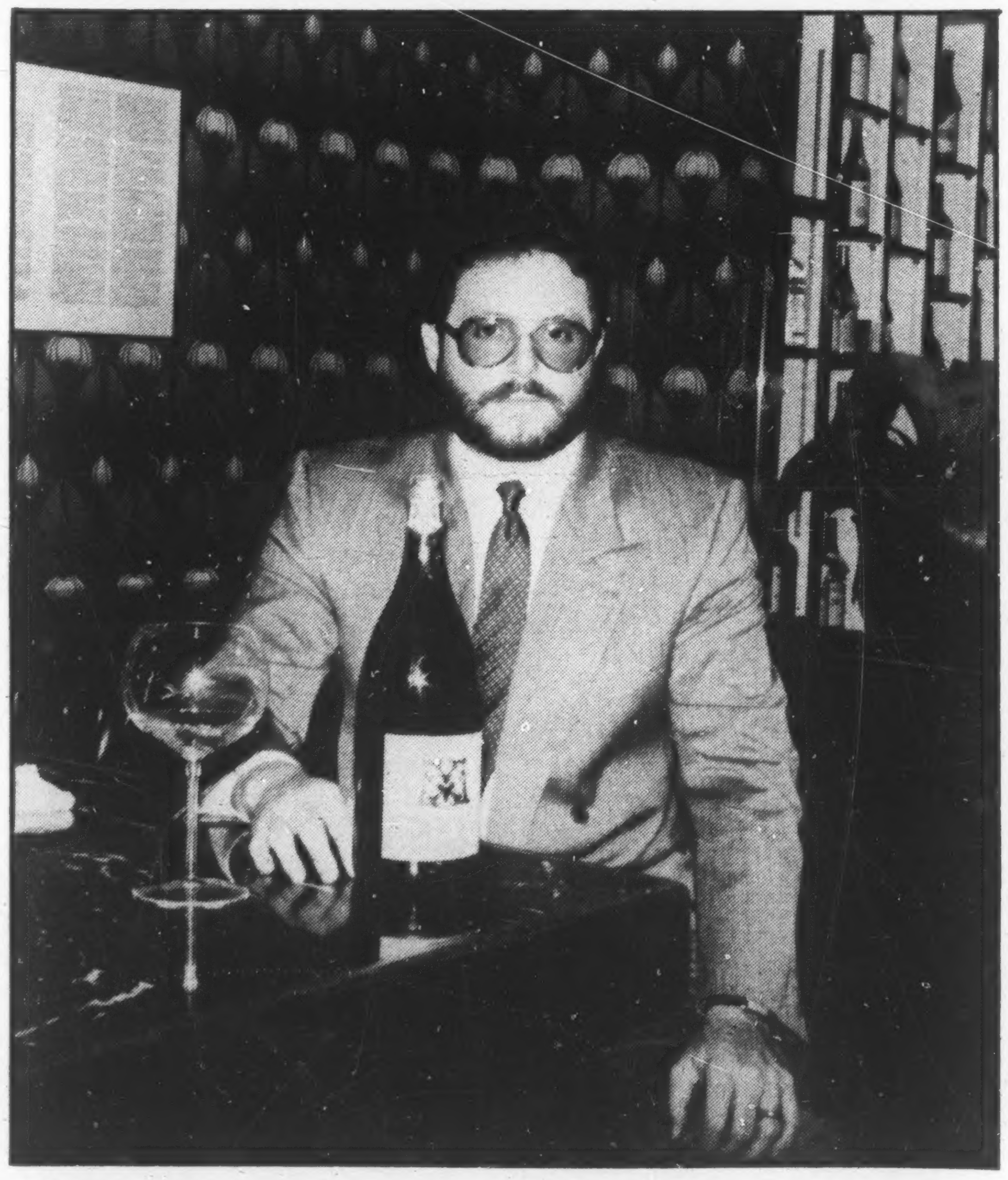
CHICAGO — The new Chardonnay Wine Bar & Cafe does two things differently: It sells wine at retail prices instead of at a 200% to 300% markup, and it changes its dinner menu every day.

Because of the comparatively low markup on his 30 wines by the glass, owner Mitchell Dulin claims The Chardonnay on Halsted Street's Restaurant Row is Chicago's only true wine bar. While many local restaurants serve wine by the glass, their higher markups define them as "restaurants," rather than wine bars, he said.

Dulin is able to hold down his prices because of volume. His 37 seats, including those at the bar, are reserved and filled twice or more nightly, he said, and they have been since he opened last May. "We turn away 30% to 40% as many as we seat," he said.

Because of customer demand, Dulin plans to speed up opening an addition that will seat 65. He expects to have it ready this fall. Next summer

*(See **CHARDONNAY**, page 12)*



Michael Dulin, owner of the Chardonnay Wine Bar & Cafe, is able to sell wines at a low markup.

Restaurants post flat August sales

Figures rose 2.63% from last year

WASHINGTON — Sales at the nation's eating and drinking places were flat in August, rising only 2.63% from the year before, to $11.8 billion, the U.S. Department of Commerce reported in its early, unadjusted figures.

This follows a weak, 4.67% rise in July sales, year-to-year, indicating continued troubles in the economy as a whole and the restaurant industry in particular.

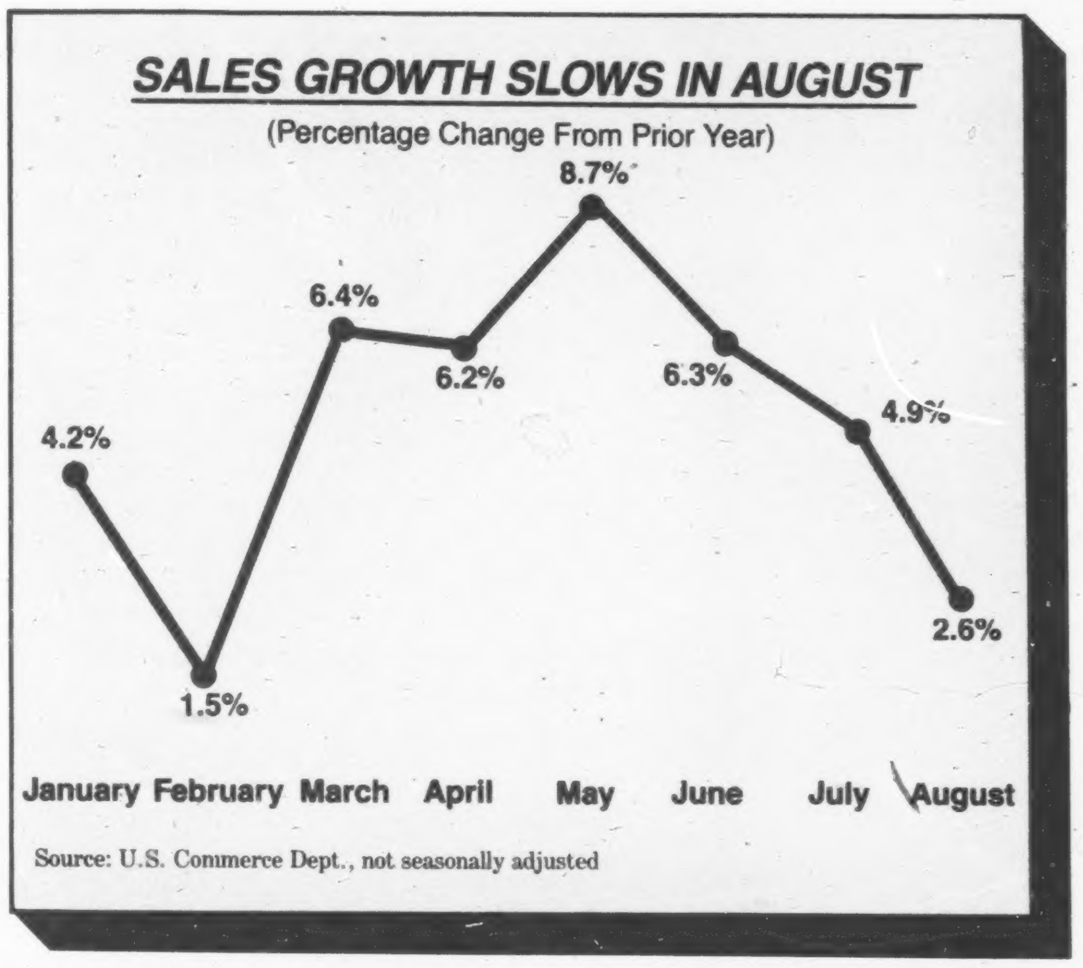
Some analysts say no sign of relief is in view this year. Michael Culp of Prudential Bache has said that customer counts may turn down in the fourth quarter.

Michael Esposito of Oppenheimer & Co. says that major companies should report strong sales gains in the third and fourth quarters, compared with sluggish results in last year's second half. But he adds, "The impact of current economic conditions on consumer spending and confidence provides some concern." Real sales, excluding menu price increases, have been "decelerating over the past few months," he adds.

In its seasonally adjusted figures, the Commerce Department reported that sales in eating and drinking places declined 0.6% from July to August, to $10.79 billion, following a 0.3% June-to-July decline to $10.85 billion.

In the overall economy, retail sales are even worse than in the restaurant industry. In August they increased only 1.9% to a seasonally adjusted $116.1 billion, the Commerce Department said. That came after a revised increase of only 0.2% in July to an adjusted $113.9 billion, and a revised fall of 1% in June.

Uncertainty and disappointment over the economy have affected the stock prices of publicly traded restaurant companies as well. The *Nation's Restaurant News* Stock Index has fallen for several weeks.


SALES GROWTH SLOWS IN AUGUST

(Percentage Change From Prior Year)

Source: U.S. Commerce Dept., not seasonally adjusted

Butterfield to sell Wendy's, Love's units

By Richard Martin

SANTA ANA, Calif. — Newly rechartered Butterfield Savings & Loan Association said it would soon sell its 12-unit Wendy's franchise and, later, its 27-unit Love's barbecue restaurant chain to satisfy federal banking regulators, who took over the insolvent institution Aug. 7.

While actively negotiating the sale of its Wendy's operation, the new Butterfield management has begun preparing Love's for sale by hiring former IHOP Corp. and Love's executive Ronald Mesker to rebuild the loss-riddled chain.

Butterfield's food-service red ink totaled about $6 million since December 1982, when it acquired the first nine of its Wendy's; the S & L bought the then 33-unit Love's from IHOP in September 1983 for $2.5 million in cash.

Though its Wendy's units recently began to return a profit, Butterfield continues to struggle with ongoing losses and sales declines in the Love's chain, whose annual per-store sales average has slipped since 1979 from $1.1 million to $800,000 currently. Butterfield is also wrestling with a revolt from a dozen disgruntled Love's franchisees who operate 17 of the restaurants. The franchisees have been withholding their average 3.6%-of-sales royalties since May 20, alleging that Butterfield has not provided contracted services.

Gerald McQuarrie, the newly installed president of Butterfield, said the company's 12 Wendy's and franchise territory are worth between $3 million and $4 million and would be sold for a profit. Butterfield has been negotiating with American Restaurants, a 26-unit Ventura, Calif.-based Wendy's franchise, over a possible sale of the 12 Wendy's, which are located mostly in Riverside and Orange counties.

American Restaurants said it expects the negotiations, which began before Butterfield was declared insolvent, to be concluded by November. American owns two Chuck E. Cheese pizza restaurants in addition to its 26 Wendy's, which are located from the San Fernando Valley north to San Luis Obispo. The company posted net profit of $306,000 on sales of $18 million for the year ended Jan. 31.

A Butterfield spokesman said the company's Wendy's franchise territory could support 40 more of the hamburger outlets. Parties other than American have also expressed interest in the franchise, the spokesman added.

The new management of Butterfield hired former IHOP executive vice president Ronald Mesker to be president and chief operations officer of Love's on Sept. 1. Most recently a restaurant consultant, he had been executive vice president and operations chief of Love's from 1973 to 1979, when his marketing expertise was instrumental in achieving average annual sales volume increases of 18% during a turnaround from loss to profit.

Mesker met earlier this month with the dissident Love's franchiees, most of

*(See **BUTTERFIELD**, page 113)*

Wendy's to buy Restaurant Systems Inc.

By Howard Riell

ATLANTA — Wendy's International has signed a definitive agreement to purchase Restaurant Systems Inc. (RSI), a publicly held, 36-unit franchisee based here, for 2.75 million Wendy's common shares, valued at $42 million, a Wendy's spokesman said. The units are located throughout Georgia and Alabama.

In a separate transaction, three RSI principals have signed a similar agreement to buy 53 company-owned Wendy's units in Seattle and Tacoma, Wash., and Portland, Ore. The deal is valued at $23.5 million, to be paid in cash and a note, the Wendy's spokesman said. Both transactions are subject to shareholder approval.

The deal, said Wendy's spokesman Denny Lynch, will enable the 3,286-unit burger chain to "better focus our attention and allocate our dollars in the Southeast, a growing section of the country. It was an opportunity to buy well-run, high-volume restaurants." The units to be sold are all running volumes below the systemwide average, he added.

The three RSI principals, chairman and chief executive J. Michael Bodnar, 41, president and chief operating officer R. Wayne Lewis, 42, and executive vice president and chief financial officer Howard E. Sachs, 41, "have a proven track record as top operators," said Wendy's chairman Robert Barney. RSI won Wendy's Outstanding Franchise Operator of the Year for 1983, Lynch said.

Other RSI divisions, like software division RS Technology, three-unit Butters Fresh Food and B&S Management, will all be liquidated or sold before completion of the transactions, said Sachs. One of B&S Management's two contracts is Wenco-NY, which manages 19 Wendy's units.

They made us a very attractive offer "for our roughly 2,319,000 shares," Sachs said. The offer will be formally presented to a meeting of shareholders here in early November, he said. No name for the newly formed company, which will be privately held, has yet been selected, he added.

The deal, said Lynch, would also be subject to adjustment should Wendy's stock price dip below $14.75 or rise above $18.75 by the deal's completion.

Liederman, three others still eying purchase of Zabar's

NEW YORK — David Liederman is not the only one making a serious offer to buy Zabar's, the legendary food and cookwares store on Manhattan's Upper West Side.

A group of investors led by the owner of the Acker, Merrall & Condit Co., a retail liquor store on upper Broadway near Zabar's, is among four bidders now seeking to buy the store, Murray Klein, 1 of 3 equal partners in Zabar's, has revealed.

Klein also confirmed that Liederman, founder and chairman of the David's Cookies chain, is one of the other bidders, but would not reveal the identities of the other two Zabar's suitors.

Klein and his partners, brothers Saul and Stanley Zabar, are reportedly seeking about $30 million for the store and its real estate on Broadway between 80th and 81st streets.

The store's annual gross sales are approximately $25 million, according to the Zabars.

Liederman's initial offer for the store was rejected seven months ago as too low.

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San Francisco Editor **Alan Liddle**

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Manager, Editor **Ken Rankin**
Correspondents **Deane Evans,**
Amie Snider

Japan Diamond-Friedman Ltd., Chain Store Age News Japan 1-4-2 Kasumigaseki, Chiyoda-ku, Tokyo, Japan, 504-6750

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National Prepared Frozen Foods regional insert appears on pages 29-30.

Vol. 19, No. 40 September 30, 1985

Chains equip mobile units

(Continued from page 1)

kins, who would not reveal his project's cost. "We had to downsize everything we have in existence to fit into the van."

In doing so, however, each chain went a different route: Whereas Pizza Hut developed its traveling equipment package largely from scratch and has in fact patented the end product, Burger King engineers managed to create a vehicle that utilizes, with few exceptions, the same equipment found in its freestanding units.

Both chains stress savings as being integral to their new concepts. In the context of $750,000 to $1 million in construction costs per unit, and given the rapid rise in real-estate values across the country, mobile units that can match standard volumes for approximately one-tenth the start-up cost may soon become an economic necessity.

The idea for the Burger Bus came more than two years ago from Columbus, Ohio, franchisee Denny Erwin, who tinkered and experimented with normal unit equipment until he came up with specifications that one of the chain's manufacturers, New York-based Bastian-Blessing Foodservice Equipment, could produce. Erwin faced a multitude of problems with the eight major cooking machines and 50 other individual pieces of equipment aboard the bus.

First, Erwin said, he needed a generator to furnish the minimum 10.1 kw power draw for refrigerator and freezer units, POS system, fryer, broiler, internal and external lights. He finally found one, a 12 kw model, made by a local boat manufacturer, Onan Co. for $6,500. "Refrigeration is a big, big problem when you go mobile," he added, because of vibrations and weight considerations.

Nor was he able to use a standard compressor. Burger King broilers, he found, were too big to fit in the 18 ft. of kitchen space needed in the 26-ft.-long bus. "I went to Neico Manufacturing, which makes broilers for Burger King, and indicated what we wanted," he said. "'There's no such animal; we don't make one,' I was told."

Still other problems included developing burner tubes with specially designed clamps that would not vibrate off; special lines to keep water from freezing; a way to construct the bus's suspension system, made by Grummond, to accommodate the 15,622-lb. weight; a means of conveniently servicing and cleaning the main generator; installing mobile telephones; remodeling Tranti Manufacturing's Model 21 POS system to keep it from going down in temperatures well above and below those in a normal unit; substituting a Fresh-O-Matic unit, used for melting cheese, for the chain's normal microwave oven; building new refrigerated compartments to store yet accommodate service of soft drinks; and developing new valves to keep propane gas from coagulating into a gel in winter weather.

"I was a normal Burger King franchisee when I got involved with this thing," Erwin joked later. "I was totally awed by the situation."

Burger King chairman J. Jeffrey Campbell liked what Erwin came up with and set company engineers to refining it. A second version was developed and has been operated for a year by Los Angeles regional vice president Mitch Rhoads. Approved by both the Underwriter's Laboratory and National Sanitation Foundation, the revised equipment package should permit volume equal to a normal unit's, Rhoads said. The life span for the equipment, which takes up about 18 ft. of the bus's total 26-ft. length and 8-ft. width, is from five to 10 years.

"This is a test vehicle at this point in time," Rhoads said. "Various and sundry pieces of equipment were upgraded and changed from the second-generation model, based on the learning experience of Denny Erwin."

Bojangles' builds prototype

(Continued from page 3)

limited host or hostess program, said Crosier. The host would be in the dining room to take orders for drink refills and additional purchases.

The counter area will employ one large customer queueing line and two or three cashiers. Patrons will place their orders and pay for them, then move down to a self-service station for beverages.

Customers will be able to see the kitchen area, but a door will separate the service space from the dining room.

Many interior details are still under review, Crosier said, but all new units will have a greenhouse look or effect.

He said Bojangles' greenhouse would not be a physical addition, as some chains have. Such expansion greatly increases costs and is often not energy-efficient.

Details of the new exterior have been worked out. Replacing the old red-brick face will be an off-white stucco look that was the decision of new president Chris Schoenleb, who first saw it on a unit in South Florida.

There will be an orange canopy, backlighted so that it illuminates at night, featuring the Bojangles' name. Instead of the present rectangular shape, the new canopy will be curved at its edges. The orange will be a "softer shade." That exterior styling, in addition to the greenhouse effect inside, will give the unit a "French cafe" look, said Crosier.

No change is anticipated for the drive-thru, which accounts for about 50% of Bojangles' business.

The chain is owned by the New York-based food-service company, Horn & Hardart. Its estimated systemwide sales for 1985 are $250 million.

Hotel group misses payment

(Continued from page 3)

loan from his father into the diversified real estate-based empire over the last 22 years. A dapper and suave connoisseur and patron of the arts, Ashkenazy personally selects his hotel's luxurious guestroom amenities, helps craft their menus and supervises their decoration with art from his personal collection.

Ashkenazy attributed his current cash bind to depressed hotel revenues, rapid hotel expansion and rising construction costs. In an interview with the *Los Angeles Times*, he declined to rule out the possibility that he would seek bankruptcy-court protection from creditors, a tactic used successfully by one of his partnerships when construction of L'Ermitage ran into problems.

Lenders' lawsuits and receiverships have plagued other Ashkenazy apartment, condominium and hotel-conversion projects this year. But Ashkenazy said those problems, involving three loans totaling more than $7.5 million, have largely been remedied. He also said one of the projects, the Le Reve hotel, will open soon in West Hollywood.

Liquor prices rise Oct. 1

(Continued from page 1)

price structure quickly. There's been a natural shift away from distilled spirits, anyway, over the last five years. We're selling more wine, more beer and more coolers."

Slightly more alarmed by the ramifications of the tax increase was Gordon Sinclair, owner of Chicago's Gordon restaurant, which garners some 10% to 12% of sales in distilled spirits. He noted that while the tax increase alone constitutes little threat to his business, "in conjunction with the proposed $25 cap on business meal deductions, it can do nothing but hurt the industry and cut into overall restaurant revenues."

If the business meal cap should pass, said John Bruno, owner of New York City's Pen & Pencil steak house, then increased drink prices could potentially push the alcoholic beverage portion of the total tab above the $25 limit.

"Possibly, people may drink less at business lunches," he said. "They've got to have the main course, and they've got to have the coffee. But if one more drink is going to push them over the $25 limit, then they'll probably pass."

But Bruno added that there is a strong chance that liquor prices will eventually fall back to current levels. "Consumption of hard liquor is on its way down," he said. "Distributors won't be able to maintain high prices because they'll lose too much in sales. They'll probably just have to cut their margins."

For Houston-based McFaddin Ventures, which operates 44 theme bars around the United States, liquor constitutes about 75% of total sales, according to chairman and chief executive Lance McFaddin. But while drink prices will be raised shortly to reflect the increased tax, no dropoff in patronage is expected.

"For our type of operation, I think that the price of drinks is secondary," McFaddin said. "People come for the experience. We have an admission charge, which discourages that segment of the market that is price sensitive. In our smaller markets, price increases may be instituted slower. But in the majority of our markets, we expect to raise drink prices right away."

Meanwhile, a second portion of the new tax law—a "floor tax—" is expected to have a devastating effect on the retail liquor industry.

Under terms of the "floor tax," all retail liquor establishments (including package stores, restaurants and taverns) are required to submit a full inventory report of distilled spirit stock to the federal Department of Alcohol, Tobacco and Fire Arms. Any stock above 500 gal. will be taxed at a rate of $2 per gallon. Letterman noted that while most liquor stores carry a stock well above the 500-gal. level (185 cases), few restaurants or taverns come close.

Cini-Grissom, LFL merge

(Continued from page 2)

and implementing restaurant trends into contract and institutional feeding," said Cini. "We've done a lot of that for health care, business and industrial feeders."

Geographically, Cini-Grissom serves the United States, while LFL offers its services internationally.

Among the projects that Cini said Cini-Little will handle are the remodeling of the Rainbow complex (the Rainbow Room and the Rainbow Grill restaurants) at Rockefeller Center in New York, the development of food-service facilities at the Dolphin stadium in Miami and the design of several restaurants for Hyatt Hotels.

Cini-Little will be known as Cini-Little Associates Inc. in the U.S and Cini-Little Associates Ltd. in Canada.

William Eaton and Ronald Kooser of Cini-Grissom will oversee Cini-Little's offices in Washington, Cleveland, Chicago and Miami and James Little, chief executive of LFL, will be responsible for the concern's offices in New York, Denver, San Francisco.

NRA: Fight meal tax 'cap'

(Continued from page 3)

equally. Critics of the Reagan administration's proposal contend that the $25 cap puts an unfair burden on fine-dining establishments.

The percentage plan was advanced in the late 1970's by President Carter, who at one point called for a straight 50% subtraction from business meal deductions.

Scallop crop destroyed

(Continued from page 2)

harvest—which also includes Massachussetts and Rhode Island—reached 1.7 million lb. in 1984, it was easily surpassed by sea and calico scallop production, which totaled 18 million lb. and 39 million lb., respectively. Additionally, imported scallops—largely from Peru—accounted for another 27 million lb. last year.

Yet bay scallops are highly prized for their nutty, sweet flavor at finer white-tablecloth restaurants. George Morfogen, the assistant manager and buyer for the Oyster Bar and Restaurant in Grand Central Station in New York, prefers Long Island bay scallops to others. "There's nothing else like them," he said.

Morfogen noted that, at presstime, he had no difficulty in acquiring Peconic bay scallops. "There were a lot of them there this morning," he said. But anticipating that the supply would dry up in a few weeks, he added that he would probably switch over to bay scallops from Massachusetts.

Moe Pereira, of Wallace, Keeny and Lynch, a seafood wholesaler at the Fulton Fish Market in New York, noted that "at the present time, the production is there. The harvest isn't a total washout. But its impossible to say what's going to happen in the future. The harvest this year is going to be definitely off."

But even with the projected scarcity, prices of bay scallops are not expected to rise, he added. "The price is at its peak right now—approximately $60 per 9-lb. gallon," Pereira explained. "Even if the supply dried up, the price wouldn't rise."

Butterfield sells units

(Continued from page 4)

whom he worked with during his earlier tenure with the chain. He described the meeting as "healthy" and predicted that an abandonment of threatened litigation and a resumption of royalty payments was "imminent."

As part of his strategy for improving franchise relations, Mesker has hired three former Love's executives from his successful 1970's management team as franchise field consultants. They are Steve Ousdahl, Bill Patton and Jim Camp.

Mesker's immediate marketing plan for Love's involves revision of a new gazette-style menu currently being tested in two company restaurants.

NRN Index drops 4.1 to 121.5; losers outpace gainers

NEW YORK — Registering its fourth consecutive weekly decline, the *Nation's Restaurant News* Food-Service Operators Stock Index fell 4.1 points in the week ended Sept. 20 and closed at 121.5.

Other indexes of market activity also fell; for example, the Dow Jones Industrial Average lost 9.74 points to close at 1,297.94. Some analysts cited investor disappointment over the government's preliminary estimate of 2.8% growth in the nation's economy in the third quarter, a slower-than-expected rate.

Declining issues on *NRN*'s complete, 114-stock listing of food-service, lodging and diversified companies outnumbered advancers, 58 to 29, with 27 unchanged in price. Sixty-four issues traded at lower volumes than their previous 12-week trading averages, while 48 traded higher and two were unchanged.

Restaurant Systems Inc., a 36-unit Wendy's franchisee, had one of the biggest relative volume surges of the week: 89,000 shares changed hands, 249.1% above average. It also had a significant price gain: up $3 to close at $17, a new 52-week high. The company, which also manages 24 Wendy's for other operators and markets software systems for restaurant chains, said it had agreed to be purchased by Wendy's in an exchange of stock.

Several issues fell to new 52-week lows during the week, including: Horn & Hardart, down 13¢ to $7.75; Taco Viva, down 25¢ to $4.38; Maverick Restaurants, down 38¢ to $1.63; Fast Food Operators, down 6¢ to 63¢, and Nankin Express, down 6¢ to 38¢.

Most widely held stocks did not fare well. For examples, McDonald's fell $1.88 to $63.13, Wendy's was down 50¢ to $14.75, Church's was off 13¢ to $15.13, and Saga declined 38¢ to $24.13. An exception was Winners Corp., which rose $1.25 to $6.50.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Rest Mgmt M	420.6	Frisch's	162.5
Max & Erma's O	381.8	Winners Cp	157.0
Rest Systems M	249.1	Skippers	134.2
Pillsbury Co N	200.9	Swensens Inc	121.1
Victoria Stations M	185.9	Shoney's Inc	115.4

TOP TEN GAINERS

(Weekly Price Change, in %)

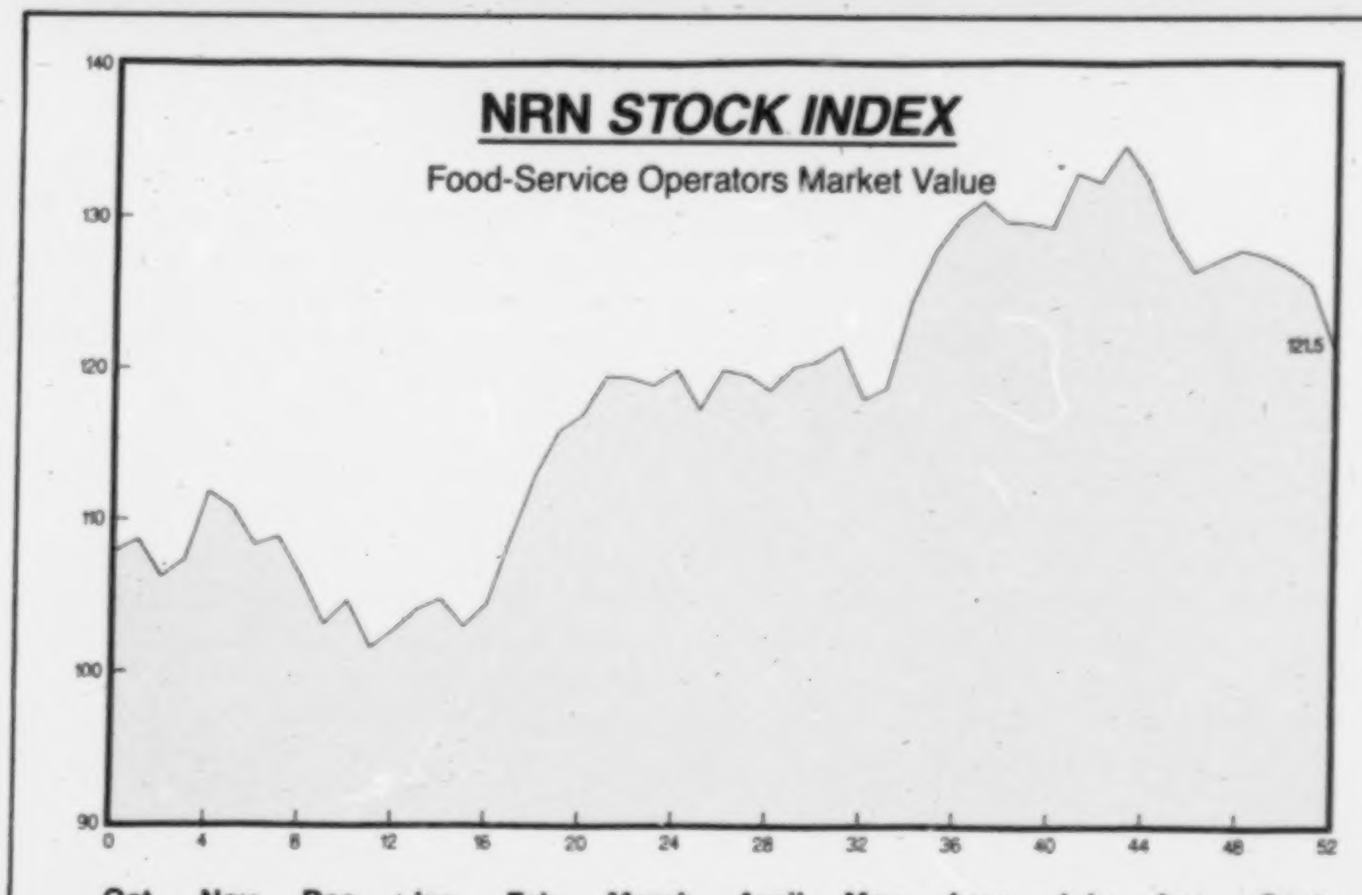
Naugles Inc M	27.8	Pillsbury Co N	8.6
Winners Cp N	23.8	Old Fashion Fd M	8.3
Rest Systems M	21.4	TCBY Entrprs M	8.1
Primo Inc O	15.4	Allegheny Bev M	5.1
Jerrico Inc M	9.5	Intl King Tab M	4.9

TOP TEN LOSERS

(Weekly Price Change, in %)

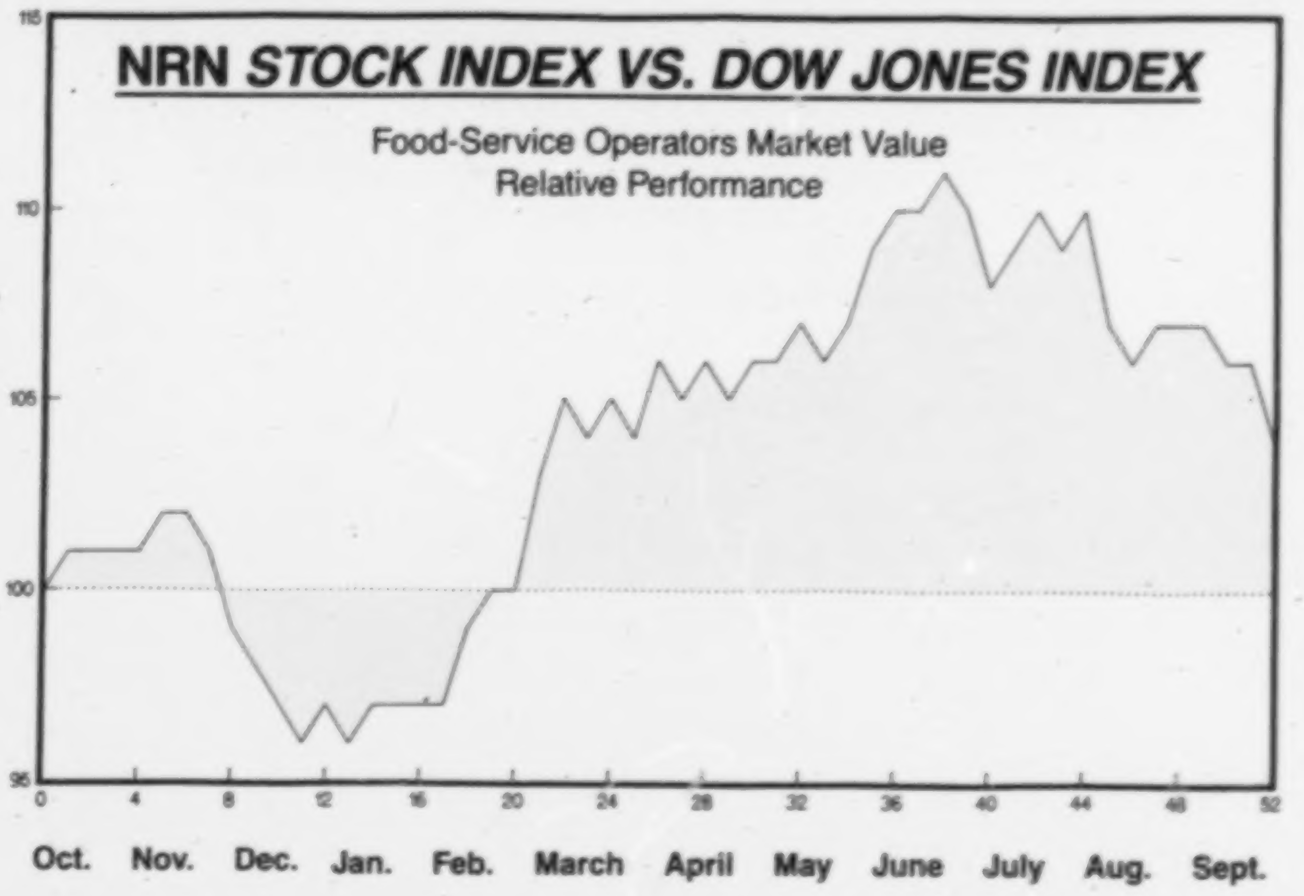
Maverick Rest M	- 18.8	Stuff Yer Face O	- 9.5
1 Potato 2 O	- 16.7	Fast Food Oper O	- 9.1
Nankin Express O	- 14.3	Fuddruckers Inc M	- 8.5
Lifestyle Rest A	- 12.5	A&M Food Svcs M	- 8.3
Sea Galley M	- 10.0	Vie de France M	- 7.5

	Stock Market											Financial Update																	
	Price							Volume							Latest Report			Latest Quarter						Year-to-Date					
	9-20-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Dvd. Rate		New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	6.88	- .63	- 8.3	7.50	6.50	7.63	3.50	345	.97	.74	31.1	19.6	.00	.0	—	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests M	4.75	- .13	- 2.6	4.88	4.75	5.38	3.50	18	.07	.29	- 75.9	36.5	.00	.0	—	6 mos.	04-85	10.4	1055.6	.1	- 80.0	.04	- 80.0	19.9	114.0	.0	- 100.0	.01	- 92.3
Am Restaurants O	3.38	.00	.0	3.63	3.25	4.75	2.38	106	.46	.33	39.4	67.5	.00	.0	—	3 mos.	04-85	4.7	4.4	.0	- 100.0	(.01)	- 100.0	4.7	4.4	.0	- 100.0	(.01)	- 100.0
Assoc Hosts M	12.00	- .50	- 4.0	12.38	11.75	17.13	10.75	502	1.13	3.57	- 68.3	19.0	.12	1.0	—	9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Nat'l M	15.38	- .38	- 2.4	15.75	15.00	21.75	12.38	576	1.93	3.66	- 47.3	12.9	.00	.0	—	3 mos.	06-85	28.1	100.7	1.1	57.1	.36	50.0	28.1	100.7	1.1	57.1	.36	50.0
Bob Evans Farms M	19.75	- .25	- 1.3	20.00	19.00	22.75	15.69	1,259	.70	.97	- 27.8	19.0	.27	1.4	—	3 mos.	07-85	61.9	14.6	5.0	13.6	.28	12.0	61.9	14.6	5.0	13.6	.28	12.0
Calibre Cp M	1.50	.00	.0	1.63	1.38	5.13	.63	74	.24	.33	- 27.3	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Cany Food M	11.88	- .75	- 5.9	12.38	11.50	15.13	8.13	3,191	7.06	4.76	48.3	17.5	.16	1.3	—	3 mos.	05-85	13.6	13.3	.9	.0	.19	.0	13.6	13.3	.9	.0	.19	.0
Capt Crab M	1.38	.00	.0	1.44	1.25	2.63	1.25	863	.56	.77	- 27.3	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	6.63	- .38	- 5.4	7.25	6.50	11.50	6.50	369	.47	.60	- 21.7	9.3	.07	1.1	—	fiscal	05-85	36.8	17.9	.7	- 41.7	.09	- 25.0	145.1	19.2	5.5	19.6	.71	4.4
Chefs Intl O	.56	.00	.0	0.63	0.56	1.06	.38	1,309	.68	.52	30.8	NE	.00	.0	—	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's M	10.13	- .25	- 2.4	10.38	9.50	15.38	9.38	4,294	1.58	3.97	- 60.2	18.1	.00	.0	—	3 mos.	07-85	66.6	42.9	4.5	- 10.0	.17	- 10.5	66.6	42.9	4.5	- 10.0	.17	- 10.5
Chili's Inc M	24.88	.50	2.1	25.13	23.88	28.88	19.00	1,387	2.98	3.95	- 24.6	28.3	.00	.0	—	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch N	15.13	- .13	- .8	15.38	15.00	20.25	13.06	9,265	2.46	3.38	- 27.2	12.0	.44	2.9	—	6 mos.	06-85	136.7	11.3	11.2	1.8	.30	3.4	253.0	11.4	19.1	7.9	.51	8.5
Collins Foods N	14.50	- .63	- 4.1	15.50	13.75	16.69	9.09	1,784	.89	.94	- 5.3	16.7	.12	.8	—	3 mos.	07-85	136.4	18.6	5.6	16.7	.19	- 20.8	136.4	18.6	5.6	16.7	.19	- 20.8
Concept Dev M	9.00	.25	2.9	9.00	8.25	16.75	5.75	639	1.24	2.64	- 53.0	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts M	3.25	.00	.0	3.38	3.25	5.38	3.25	69	.21	.45	- 53.3	14.8	.08	2.5	—	9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant M	2.88	- .13	- 4.2	3.13	2.75	7.88	2.88	578	1.26	1.76	- 28.4	NE	.00	.0	—	fiscal	05-85	23.6	48.4	(11.5)	- 100.0	(2.50)	- 100.0	86.6	36.6	(15.2)	- 100.0	(3.32)	- 100.0
Cracker Barrel M	12.00	- .25	- 2.0	12.00	10.25	19.25	10.25	412	1.16	1.81	- 35.9	16.9	.14	1.2		fiscal	07-85	20.7	19.7	1.5	15.4	.45	- 2.2	67.5	18.6	2.4	- 11.1	.71	- 27.6
Cucos Inc O	6.75	.00	.0	7.25	6.75	7.00	2.75	131	.76	.76	.0	42.2	.00	.0	—	fiscal	06-85	2.0	122.2	.1	NC	.05	66.7	6.8	112.5	.3	50.0	.16	23.1
DLites Of Amer M	7.63	- .13	- 1.6	7.75	6.75	15.50	6.75	1,837	3.61	3.30	9.4	44.9	.00	.0	—	3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts M	23.38	.88	3.9	23.63	22.00	25.38	14.84	859	1.19	1.54	- 22.7	16.7	.24	1.0	—	9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico M	9.38	- .50	- 5.1	9.88	8.63	12.50	7.25	1,629	3.50	1.86	88.2	10.8	.00	.0	—	3 mos.	08-85	21.9	3.8	1.0	11.1	.22	10.0	21.9	3.8	1.0	11.1	.22	10.0
El Pollo Asa O	4.50	.00	.0	4.75	4.50	6.34	1.84	240	1.42	3.47	- 59.1	NE	.00	.0	—	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest N	14.00	- .25	- 1.8	14.75	13.00	19.25	10.63	1,281	1.16	1.03	12.6	13.0	.00	.0	—	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest M	2.00	- .13	- 5.9	2.06	1.88	3.88	1.63	639	1.07	1.10	- 2.7	NE	.00	.0	—	6 mos.	06-85	12.3	- 2.4	(.1)	- 100.0	(.02)	- 100.0	28.6	- 3.7	.3	NC	.05	NC
Fast Food Oper O	.63	- .06	- 9.1	0.75	0.63	1.31	.63	232	.39	.53	- 26.4	31.3	.00	.0	—	6 mos.	06-85	1.9	- 9.5	.1	.0	.01	- 50.0	3.7	- 2.6	.1	.0	.01	- 50.0
Flakey Jakes M	3.25	- .13	- 3.7	3.25	2.38	8.25	2.38	3,351	4.82	3.31	45.6	NE	.00	.0	—	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest O	1.50	.00	.0	2.50	1.50	7.38	1.50	61	.41	.21	95.2	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Frisch's A	21.75	- .38	- 1.7	22.25	21.50	26.00	14.50	184	.42	.16	162.5	18.9	.22	1.0	—	fiscal	05-85	30.5	- 5.9	1.7	- 10.5	.39	- 7.1	127.3	2.7	5.0	2.0	1.15	3.6
Fuddruckers Inc M	6.75	- .63	- 8.5	7.13	6.25	14.50	6.00	3,497	5.18	3.04	70.4	39.7	.00	.0	—	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco O	.31	.00	.0	0.44	0.31	3.00	.25	70	.24	.73	- 67.1	NE	.00	.0	—	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	14.75	.00	.0	15.50	14.75	15.25	10.50	35	.49	.40	22.5	7.6	.00	.0	—	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger M	5.88	- .13	- 2.1	6.00	5.63	6.25	3.63	462	1.59	2.16	- 26.4	NE	.00	.0	—	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen O	64.00	.50	.8	67.50	64.00	65.00	39.00	6	.03	.14	- 78.6	15.7	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab M	16.00	.75	4.9	16.50	14.88	24.75	14.88	1,012	3.52	1.84	91.3	10.5	.00a	.0	—	fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB Restaurant M	11.63	.13	1.1	11.88	10.50	15.50	9.09	1,994	4.32	3.09	39.8	15.3	.16	1.4	—	9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc M	21.63	1.88	9.5	22.13	19.63	23.25	14.25	10,655	6.74	4.36	54.6	15.3	.12	.6	—	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp A	3.75	.13	3.4	3.88	3.38	4.38	1.13	282	1.15	1.13	1.8	4.2	.00	.0	—	6 mos.	03-85	5.6	- 12.5	(.1)	NE	(.06)	NE	10.8	- .9	3.8	NE	1.61	NE
Karcher Carl M	16.25	.25	1.6	16.38	15.50	24.50	13.50	833	1.18	1.36	- 13.2	14.6	.00	.0	—	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Lifestyle Rest A	1.75	- .25	- 12.5	1.88	1.63	3.25	1.50	134	.24	.36	- 33.3	NE	.00	.0	—	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.29)	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe N	33.75	- 1.50	- 4.3	35.75	33.25	37.38	26.38	273	.22	.37	- 40.5	21.8	.60	1.8	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	17.50	- .75	- 4.1	17.50	16.50	19.38	13.88	218	.43	.30	43.3	10.9	.30	1.7	—	fiscal	05-85	40.9	3.5	2.6	13.0	.50	- 13.6	131.8	4.0	8.2	10.8	1.60	11.1
Marriott Corp N	89.50	.00	.0	90.75	87.63	100.00	70.00	1,986	.77	.58	32.8	15.7	.54	.6	—	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	1.63	- .38	- 18.8	2.00	1.63	6.00	1.63	13	.03	.22	- 86.4	NE	.00	.0	—	6 mos.	07-85	3.3	13.8	(.1)	- 100.0	(.02)	- 100.0	6.4	20.8	(.1)	- 100.0	(.02)	- 100.0
Max & Erma's O	2.38	.00	.0	2.75	2.38	4.75	2.38	95	.53	.11	381.8	NE	.00	.0	—	6 mos.	04-85	3.8	- 13.6	.0	NE	.02	NE	8.6	- 2.3	.1	NE	.05	NE
McDonald's Cp N	63.13	- 1.88	- 2.9	65.75	63.13	70.00	48.50	8,871	1.03	1.01	2.0	13.6	.90	1.4	—	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures M	10.13	- .75	- 6.9	10.50	10.00	11.88	9.75	110	.22	.66	- 66.7	12.5	.00	.0	—	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc M	18.50	- .13	.7	18.50	17.63	21.88	15.50	1,030	.78	1.37	- 43.1	12.1	.48	2.6	—	fiscal	05-85	126.0	- 1.6	6.5	4.8	.48	6.7	484.3	4.2	20.9	2.0	1.53	4.1
Mr Steak O	1.25	.00	.0	1.38	1.25	3.13	1.13	89	.19	.70	- 72.9	NE	.00	.0	—	9 mos.	06-85	7.0	- 59.1	(.5)	NE	(.11)	NE	21.8	- 56.2	(.6)	NE	(.14)	NE
Nankin Express O	.38	- .06	- 14.3	0.75	0.38	2.38	.38	131	.58	.84	- 31.0	NE	.00	.0		6 mos.	07-85	.4	100.0	(.6)	NE	(.26)	NE	.7	75.0	(.9)	NE	(.39)	NE
Nathans M	4.00	.00	.0	4.13	4.00	4.50	2.00	130	.58	.83	- 30.1	12.5	.05	1.3	—	fiscal	03-85	4.5	9.8	(.2)	NE	(.07)	NE	21.7	8.5	.7	75.0	.32	68.4
Nat'l Pizza M	12.00	.00	.0	12.00	11.50	12.88	7.50	410	.74	.72	2.8	16.2	.00	.0	—	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc M	2.88	.63	27.8	2.88	2.25	9.25	2.25	1,350	3.05	3.37	- 9.5	NE	.00	.0	—	fiscal	06-85	30.8	13.2	(7.5)	- 100.0	(1.68)	- 100.0	124.1	8.1	(9.2)	NE	(2.06)	NE
Noble Roman O	7.00	- .25	- 3.4	7.75	7.00	8.50	6.13	34	.28	.38	- 26.3	58.3	.00	.0	—	6 mos.	06-85	5.5	25.0	(.1)	- 100.0	(.02)	- 100.0	10.2	14.6	(.2)	- 100.0	(.13)	- 100.0
1 Potato 2 O	.63	- .13	- 16.7	0.88	0.63	5.00	.50	175	.80	.48	66.7	NE	.00	.0	—	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd M	4.88	.38	8.3	5.25	4.50	5.25	4.00	219	1.56	1.03	51.5	7.7	.00	.0	—	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet M	7.38	.00	.0	7.50	7.13	8.38	6.00	715	1.93	2.27	- 15.0	13.2	.13	1.8	—	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants M	.13	.00	.0	0.16	0.13	1.50	.13	730	.85	.87	- 2.3	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	23.75	- .63	- 2.7	23.00	22.25	24.13	16.50	330	.55	.97	- 43.3	14.4	.60	2.6	—	fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn A	7.63	- .13	- 1.6	7.63	7.13	10.50	6.88	245	.81	.85	- 4.7	NM	.08	1.0	—	6 mos.	06-85	50.6	4.1	.3	- 72.7	.10	- 71.4	98.3	13.0	.4	- 78.9	.14	- 77.0
Po-Folks M	12.13	.25	2.1	12.25	11.50	14.75	8.75	350	.79	1.15	- 31.3	15.7	.00	.0	—	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys N	10.75	.06	.0	11.00	10.50	19.38	10.50	2,342	2.43	1.45	67.6	NM	.40	3.7	—	6 mos.	08-85	117.7	- 6.1	1.5	- 68.1	.16	- 68.6	234.9	- 3.7	2.3	- 75.0	.24	- 77.4



Source: Media General Financial Services

Oct. 28, 1983 = 100



	Stock Market											Financial Update																	
	Price							Volume																					
		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	9-20-85														New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Primo Inc O	1.88	.25	15.4	2.13	1.63	4.63	1.50	149	.44	.61	- 27.9	NM	.00	.0	—	9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants M	6.75	.25	3.8	6.75	6.00	15.75	6.00	684	1.00	.72	38.9	NC	.00	.0	—	fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc A	5.00	.00	.0	5.00	4.88	6.59	3.84	62	.16	.81	- 80.2	15.2	.10	2.0	—	6 mos.	06-85	35.8	9.1	.6	.0	.18	20.0	69.0	9.9	.3	- 50.0	.09	- 40.0
Rest Mgmt M	12.50	- .25	- 2.0	13.25	12.50	15.00	6.75	1,766	8.33	1.60	420.6	17.9	.09	.7	—	9 mos.	07-85	8.5	28.8	.5	25.0	.15	- 11.8	26.7	34.8	1.5	36.4	.54	10.2
Rest Systems M	17.00	3.00	21.4	17.25	13.00	17.00	11.75	890	3.84	1.10	249.1	18.5	.00	.0	—	6 mos.	06-85	9.6	18.5	.6	20.0	.23	4.5	20.1	8.6	1.1	10.0	.46	7.0
Ritzys G D M	2.00	- .06	- 3.0	2.00	1.88	4.50	1.75	330	.64	.68	- 5.9	NE	.00	.0	—	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican M	14.50	- .50	- 3.3	15.00	14.50	18.25	11.00	99	.35	1.26	- 72.2	16.9	.00	.0	—	fiscal	07-85	19.2	61.3	1.2	71.4	.44	37.5	53.7	47.1	2.3	27.8	.86	1.2
Ryan's Fam M	15.75	- 1.25	- 7.4	16.75	15.75	19.25	11.34	1,200	1.73	1.49	16.1	25.8	.00	.0	—	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp N	24.13	- .38	- 1.5	25.00	23.75	35.00	23.75	1,326	1.01	1.46	- 30.8	11.1	.52	2.2	—	fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef M	7.63	.13	1.7	7.88	7.50	8.88	6.88	15	.12	.47	- 74.5	13.4	.00	.0	—	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley M	4.50	- .50	- 10.0	4.88	4.38	9.50	4.38	2,105	6.63	3.94	68.3	2.4	.00	.0	—	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc M	26.00	.88	3.5	26.25	24.00	31.88	21.94	9,125	3.21	1.49	115.4	20.8	.15	.6	—	9 mos.	07-85	134.2	13.9	10.4	26.8	.36	20.0	413.8	14.9	27.6	26.0	.96	20.0
Shoney's South M	11.63	.25	2.2	11.63	11.13	16.41	10.00	242	.43	1.63	- 73.6	10.8	.00	.0	—	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	- 25.0	.51	- 25.0
SIS Cp M	4.88	- .13	- 2.5	5.25	4.50	6.00	3.25	66	.43	.46	- 6.5	NE	.00	.0	—	6 mos.	06-85	3.4	61.9	.0	- 100.0	.03	- 25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl M	15.00	- .75	- 4.8	15.00	14.50	17.75	9.16	477	.47	.78	- 39.7	14.7	.00	.0	—	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers M	11.00	.50	4.8	11.00	9.50	12.50	8.75	1,253	4.59	1.96	134.2	12.0	.06	.5	—	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality M	4.63	.13	2.8	4.63	4.50	5.88	4.00	576	1.16	2.20	- 47.3	13.2	.00	.0	—	fiscal	05-85	9.4	- 6.9	.7	.0	.15	.0	38.7	8.4	1.7	13.3	.35	6.1
Stuff Yer Face O	.59	- .06	- 9.5	0.66	0.59	1.44	.50	709	.47	.38	23.7	NE	.00	.0		3 mos.	06-85	.8	60.0	(.1)	NE	(.01)	NE	.8	60.0	(.1)	NE	(.01)	NE
Swensens Inc O	1.63	- .13	- 7.1	2.00	1.50	3.13	1.50	223	.42	.19	121.1	NE	.00	.0	—	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa O	5.25	.00	.0	6.00	5.25	7.75	4.75	18	.02	.12	- 83.3	27.6	.00	.0	—	6 mos.	06-85	18.9	166.2	.5	66.7	.06	- 14.3	34.1	138.5	.3	- 50.0	.04	- 73.3
Taco Viva M	4.38	- .25	- 5.4	4.63	4.38	7.50	4.38	211	.62	1.00	- 38.0	12.9	.00	.0	—	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	8.50	.00	.0	8.75	8.25	12.38	7.88	563	.49	.55	- 10.9	12.3	.00	.0	—	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas O	2.00	.00	.0	2.50	2.00	2.38	2.00	0	.00	.09	-100.0	NE	.00	.0	—	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs M	21.75	1.63	8.1	23.00	18.50	23.75	4.09	3,246	7.45	4.32	72.5	60.4	.00	.0	—	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld N	37.75	- 1.25	- 3.2	39.00	37.50	41.13	28.00	3,140	.88	1.40	- 37.1	12.5	.48	1.3	—	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	4.3	47.1	- 4.3	1.19	- 9.8
USACafes M	5.00	.13	2.6	5.13	4.25	6.00	3.25	1,420	2.26	3.22	- 29.8	14.3	.28	5.6	—	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants M	17.88	- .13	- .7	18.25	17.38	28.25	13.25	6,081	7.22	4.67	54.6	16.0	.12	.7		9 mos.	07-85	93.9	39.3	3.1	14.8	.33	- 19.5	286.4	85.5	5.9	1.7	.67	- 23.0
Victoria Stations M	2.38	- .13	- 5.0	2.38	2.19	5.38	2.13	2,303	5.06	1.77	185.9	NE	.00	.0	—	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl N	14.75	- .50	- 3.3	16.00	14.75	19.13	12.19	12,690	1.73	1.26	37.3	14.8	.21	1.4	—	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer M	11.50	.00	.0	13.00	11.50	14.00	9.00	40	.33	.54	- 38.9	14.2	.20	1.7		6 mos.	08-85	11.8	14.6	.4	300.0	.27	285.7	23.2	17.2	.7	75.0	.54	63.6
Winners Cp N	6.50	1.25	23.8	6.63	5.13	8.75	5.13	957	2.39	.93	157.0	NM	.00	.0	—	6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	1.63	.00	.0	1.63	1.50	5.13	1.50	1,028	.73	.69	5.8	NE	.10	6.2	—	6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels N	58.50	- .75	- 1.3	60.00	57.75	73.50	49.38	2,368	.96	.83	15.7	12.3	1.80	3.1	—	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp N	50.88	- .50	- 1.0	51.25	50.38	58.13	35.25	7,171	2.63	1.40	87.9	12.1	1.00	2.0	—	6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn N	32.63	- .38	- 1.1	33.25	30.75	36.75	16.13	3,255	1.69	1.07	57.9	28.9	.09	.3	—	9 mos.	03-85	53.0	196.1	6.0	46.3	.31	47.6	155.5	208.5	17.3	36.2	.89	34.8
Ramada Inns N	7.75	- .13	- 1.6	7.88	7.13	9.50	5.13	7,754	2.08	3.43	- 39.4	55.4	.00	.0	—	6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	- 1.3	1.0	25.0	.03	50.0
Servico Inc M	19.25	.00	.0	19.25	18.75	21.38	13.44	200	.58	.35	65.7	9.6	.00a	.0	—	6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl M	23.00	.00	.0	25.50	23.00	27.00	18.50	0	.00	.07	-100.0	7.1	.40	1.7	—	6 mos.	06-85	20.9	- 6.7	1.8	- 14.3	1.65	19.6	32.9	- 9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev M	18.13	.88	5.1	18.38	16.63	22.63	15.38	700	1.16	1.59	- 27.0	1.7	.40	2.2	—	3 mos.	06-85	225.3	88.9	69.9	3395.0	11.20	3400.0	225.3	88.9	69.9	3395.0	11.20	3400.0
Arden Intl O	2.75	.13	4.8	3.00	2.63	2.75	1.13	169	.72	.57	26.3	NE	.00	.0	—	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Ch Full O Nut N	8.13	- .13	- 1.5	8.50	8.13	11.41	7.03	142	.29	.63	- 54.0	NM	.00a	.0		fiscal	07-85	30.7	.7	(.4)	~~NE~~	~~(.08)~~	NE	117.8	.3	.0	- 100.0	.01	- 93.8
Disney, Walt N	85.50	1.38	1.6	85.63	81.88	95.00	53.63	5,793	1.75	1.61	8.7	48.3	1.20	1.4	—	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills N	57.75	1.00	1.8	58.88	55.88	64.00	47.75	3,186	.72	.98	- 26.5	35.4	2.24	3.9	—	fiscal	05-85	984.6	- 27.7	(108.5)	- 100.0	.84	- 6.7	4285.2	- 23.5	(72.9)	- 100.0	1.63	- 67.3
Grace W R N	40.50	- 1.75	- 4.1	42.25	40.50	45.00	38.50	1,934	.40	.80	- 50.0	11.7	2.80	6.9	—	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart A	7.75	- .13	- 1.6	8.13	7.75	12.00	7.75	683	.56	.92	- 39.1	NM	.00a	.0	—	6 mos.	06-85	91.3	- 2.6	(1.7)	- 100.0	(.15)	- 100.0	173.6	- 3.6	(1.7)	- 100.0	(.16)	- 100.0
Ogden Corp N	29.63	- .38	- 1.3	30.88	29.63	34.25	24.13	1,967	1.03	1.03	.0	17.0	1.80	6.1	—	6 mos.	06-85	NC	NC	5.4	- 53.0	.27	- 55.0	502.3	- 53.8	17.4	- 25.0	.90	- 25.6
PepsiCo Inc N	59.00	1.13	1.9	59.50	57.38	60.50	39.88	13,728	1.46	1.39	5.0	10.7	1.78	3.0	—	6 mos.	06-85	1880.8	- .3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co N	58.25	4.63	8.6	63.50	53.50	63.50	38.13	15,022	3.46	1.15	200.9	13.2	1.72	3.0		fiscal	05-85	1219.4	12.6	47.3	1.3	1.09	.9	4670.6	11.9	191.8	13.0	4.42	13.0
Restec O	3.50	.00	.0	4.25	3.50	4.50	3.50	10	.06	.04	50.0	NC	.00	.0	—	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Reynolds, RJ N	25.75	- .13	- .5	26.75	25.63	35.00	25.50	17,254	.68	1.04	- 34.6	8.0	1.40	5.4	—	6 mos.	06-85	3404.0	31.0	228.0	- 14.3	.86	- 3.4	6302.0	34.4	410.0	- 5.1	1.52	7.0
Vie de France M	9.25	- .75	- 7.5	10.00	9.25	14.38	8.13	259	.24	.84	- 71.4	17.8	.23	2.5	—	fiscal	06-85	14.6	- 2.0	1.1	- 38.9	.10	- 41.2	63.1	14.3	5.6	- 5.1	.52	- 10.3

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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NEWSPAPER

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Nation's
Restaurant News®
The Weekly Newspaper of the Food-Service Industry

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Marriott, Prime acquiring Howard Johnson

Restaurants, hotels will be divided; Imperial retaining Ground Round

By Peter Romeo

WASHINGTON — Marriott Corp. and Prime Motor Inns Inc. have signed definitive agreements to acquire Howard Johnson Co. from Imperial Group PLC of London in a two-step process.

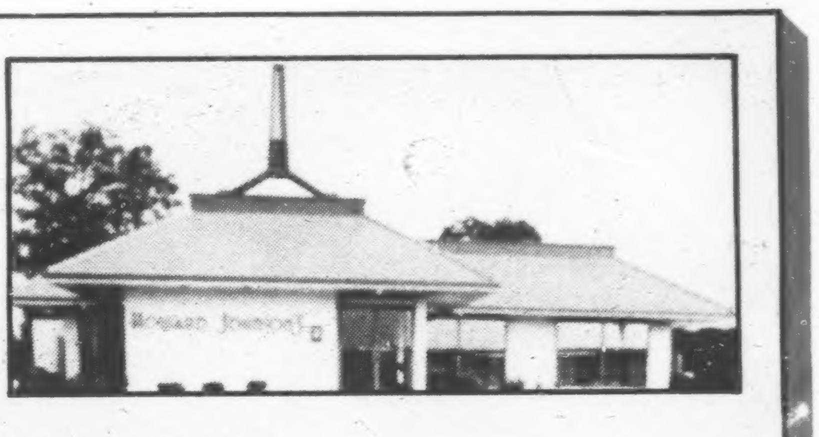
In the first phase, Marriott will pay Imperial $162 million and assume $138 million in debt in exchange for all Howard Johnson operations except the 210-unit Ground Round chain, which Imperial will retain.

Marriott will subsequently sell all 125 of Howard Johnson's lodging properties, the rights to the Howard Johnson name and the Howard Johnson franchise system, which consists of 375 lodges and 199 restaurants, to Prime for $97 million and the assumption of the $138 million debt.

The transaction will leave Marriott with 350 company-owned Howard Johnson restaurants, 68 turnpike restaurants, all of Howard Johnson's vending, manufacturing and distribution operations, one Plaza-Hotel and the management contracts to three other Plaza-Hotels. Marriott's net cost will be about $65 million.

Marriott has indicated that it will convert its orange-roof Howard Johnson restaurants

*(See **MARRIOTT**, Page 243)*



TWO-PHASE HOJO SALE

What Marriott Gets

350 company-operated restaurants
68 company-operated tollroad outlets
1 Plaza Hotel
3 Plaza management contracts

What Prime Gets

125 company-operated hotels
(including other Plaza Hotels)
Howard Johnson franchise system:
375 hotels; 199 restaurants

How Deal Is Structured

Imperial sells total package to Marriott. Price: $162M plus $138M debt.
Marriott sells most hotels and some restaurants to Prime. Price: $97M plus $138M debt.
Imperial Group retains 210 Ground Round restaurants for possible future sale.

Source: Company reports

McD ups ad budget

Spending soars 40%

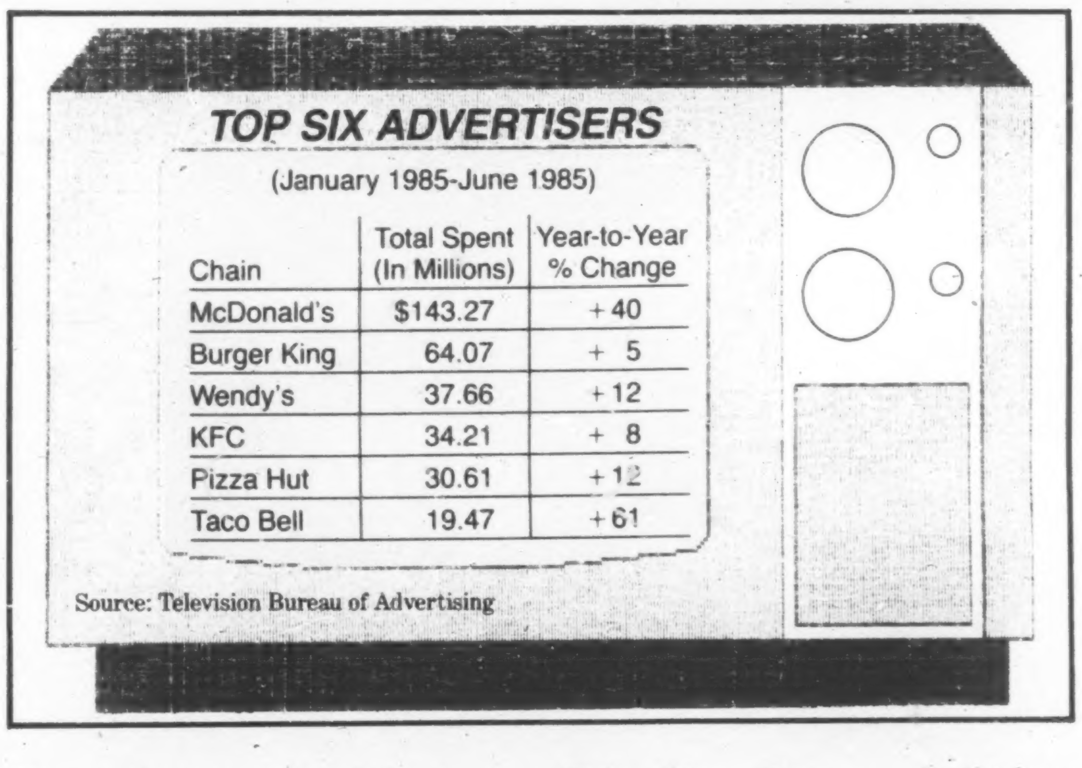
By Mark Schoifet

NEW YORK — Industry powerhouse McDonald's, outspending its three nearest rivals combined, increased its already formidable television-advertising budget by 40%, to $143.2 million, in the first half of 1985.

The move is seen as an attempt by McDonald's to press its superior marketing advantage in the face of increased competition from Burger King, Wendy's and other chains. By contrast, Burger King hiked its television budget by 5% and Wendy's raised its budget by 12% during the same period, according to the Television Bureau of Advertising.

"Of course we're concerned

*(See **McD**, Page 243)*



TOP SIX ADVERTISERS

(January 1985-June 1985)

Chain	Total Spent (In Millions)	Year-to-Year % Change
McDonald's	$143.27	+40
Burger King	64.07	+ 5
Wendy's	37.66	+12
KFC	34.21	+ 8
Pizza Hut	30.61	+12
Taco Bell	19.47	+61

Source: Television Bureau of Advertising

'More devastating' meal tax considered

By Ken Rankin

WASHINGTON — Congressional tax reformers are seriously considering scrapping President Reagan's business meal deduction limits in favor of an even more controversial plan allowing write-offs for only 75% of all business meal costs.

The impact of the proposed new meal tax proposal would be "even more devastating to the industry" than the President's current plan because it would spread the injury to far more food-service segments, said officials of the National Restaurant Association.

Under the White House bill, all business meal costs up to $25 per person (including taxes and tips) would remain fully deductible, while 50% of the cost above $25 would be taxed.

Although Reagan's approach would seriously chiefly affect big-city "expense account" restaurants, Treasury Department forecasters pre-

*(See **TAX**, Page 243)*

Molly Gonzales
Avoids retirement

Why Molly Gonzales kept La Casita open

By Marilyn Alva

MEMPHIS — Had it not been for an enthusiastic customer, Molly Gonzales, 74, would have closed her tiny Mexican restaurant in a low-rent district here and retired to Florida to live with her daughter.

But devoted fan Robert Chapman "panicked" when Molly broke the news to him three years ago. He convinced her to stay in Memphis, not at the no-frills La Casita restaurant on La Mar Avenue, but in a new 3,000-sq.-ft. building a friend had renovated in the Overton Square entertainment district.

Chapman, tired of his job as a traveling research analyst, set up La Casita Restaurants Inc. as a closely held private corporation, with himself as president, and divvied a large block of stock to Gonzales. "I told Molly I would run the business, and she would run the kitchen," Chapman said.

Thus newly named "Molly Gonzales' La Casita" opened on Dec. 21, 1982, with 85 seats, ranchero and Mariachi music blaring, woven Mexican blankets and Mexican beer signs on the walls and food that was exactly the same as Molly had been dishing out since 1974—Mexican fare her grandmother had prepared many years before.

"We wanted to create the atmosphere of a small Mexican family restaurant in south Texas, and that's exactly what we did," Chapman said.

"It was a crush from the very beginning," he added, saying they took in nearly $450,000 that first year, without a liquor license. The following year, with one, sales increased 20%, as it has each successive year.

*(See **ANGEL**, Page 11)*

USACafes offers $160M for Ponderosa

Analysts: Bid may be too low

By Don Jeffrey and Rick Telberg

DAYTON, Ohio — Ponderosa's board of directors is considering an unsolicited, $160 million, $16-a-share bid for the company by USACafes Inc., the parent of competing budget-steakhouse chain Bonanza.

But many securities analysts and other observers thought the bid was too low and is unlikely to be accepted by the board or by Ponderosa's shareholders.

If the present bid or a sweeter bid were accepted, however, the resulting company would operate and franchise about 1,160 restaurants with systemwide sales totaling nearly $1.1 billion. The merger would also eliminate some tough competition in a segment experiencing sluggish sales and profits.

Some analysts have speculated that Ponderosa's top management might attempt a leveraged buyout of the publicly traded company. Other sources said Ponderosa had approved an antitakeover measure—the issuance of up to 25 million shares of preferred stock. The company declined comment on these matters.

Ponderosa operates about 430 restaurants and franchises 204 others, with systemwide sales for the fiscal year ended last February of $694.7 million.

USACafes president Jeff Rogers said the two companies had held talks the week the bid was made, but he declined to disclose the substance of them. USACafes also declined to say whether the Ponderosa restaurants would become Bonanzas, if the deal went through.

The proposed merger is contingent on obtaining financing. Drexel, Burnham Lambert has been hired to raise money through the high-risk, high-yield securities known as "junk bonds."

But Ed Tavlin, securities analyst with Prescott Ball & Turben, said he thought the bid was too low to be accepted.

"A price of $16 appears to be a bargain for the operating assets of Ponderosa," Tavlin said. He estimated that USACafes would be acquiring each Ponderosa unit for only $233,000 about one-fourth the value.

Sources said Ponderosa's Mexican-style concept and subsidiary, Casa Lupita, was worth $40 million alone, or one-fourth what USACafes had bid for the whole company. Angelo Rizzo, a Ponderosa investor, put the total value of the company at $34 a share, more than twice the bid.

USACafes is clearly trying to boost its market share in the budget steakhouse segment. But both companies have had difficult quarters this year. USACafes' third quarter, ended June 30, saw a nearly 3% year-to-year net profit decline, to $662,000, while revenue dropped 6.6%, to $4.5 million.

Ponderosa's numbers have been weak this year. For the second quarter, ended Aug. 15, net profit fell 67%, to $1.5 million, compared with last year, while revenue decreased 8.7%, to $117.6 million. For six months, the net was down nearly 75%, to $2.3 million.

Under president Thomas Russo, who took over the leadership of the steakhouse division this year, Ponderosa has undertaken a major remodeling program and an aggressive marketing campaign.

BONANZA VS. PONDEROSA:

How They Compare

	Bonanza	Ponderosa
Data for Year Ended	Sept. 1984	Feb. 1985
Number of Units	551	656
Systemwide Sales	$387.5 million	$694.7 million
Sales per Unit	$780,000	$1,007,000
Parent Company	USA Cafes Inc.	Ponderosa Inc.
Headquarters	Dallas, Tex.	Dayton, Ohio
Revenue	$17.3 million (up 38%)	$513.3 million (up 20%)
Net Income	$2.2 million (up 57%)	$8.4 million (down 31%)

Source: Company Reports, *NRN* Research

Beef prices expected to rise with demand

NRN Special Report

Consumer demand for beef is finally beginning to build after months of depressed beef sales through retail stores. Observers see price increases ahead as a result of the normal upswing of red-meat demand in the fall and winter, thinning out of the heavy supply of fed beef that hung over the market all summer, and a future shortage of feeder cattle.

Commodities

In a recent survey of the nation's cattle supply, the U.S. Department of Agriculture indicated that feedlot operators have disposed of most of the overweight cattle they were holding since early in spring. Convinced that prices were not going to rise until the surplus dissipated, operators have been funneling their surplus inventory into the supply stream at current low prices.

At the same time, cattle producers have shown little interest in rebuilding herds at those depressed prices. They have sold off many of the potential breeding cows and heifers. That means the supply may be limited for many months.

On the other hand, consumer resistance to high beef prices has increased, with seafood and poultry taking a good part of red meat's place in U.S. diets.

PRICE MOVEMENT AT A GLANCE

	Sept. 23, 1984	Aug. 23, 1985	Sept. 23 1985
Beans, lima, large dry, Calif. (lb.)	$0.50	$0.36	$0.34
Beef, Choice, 700-900 lb. Midwest (lb.)	$0.93	$0.79	$0.82
Broilers, Grade A dressed, icepack, NYC (lb.)	$0.5297	$0.5540	$0.4950
Corn, whole kernel, Fancy Midwest (6/10)	$9.75-10.25	$9.00	$8.75
Eggs, Grade A, large white, Chicago (doz.)	$0.68	$0.69-0.72	$0.69-0.72
Hams, 11-lb. oblong, canned Polish, NYC (lb.)	$1.79-1.81	$1.59-1.60	$1.67-1.68
Lettuce, iceberg, No. 1 Calif. (24s)	$8.00-9.00	$5.00-5.50	$4.00-5.00
Pork loins, No. 1, 14-17 lb. Midwest (lb.)	$0.92	$0.89	$0.875

Source: *NRN* Research

Jack in the Box purchased for $450 million

(Continued from page 2)

ty. Monterey Jack's is a year-old test conversion concept, which Goodall earlier said could be expanded throughout the Jack in the Box chain starting in October at a cost of some $3 million plus marketing expenses.

In addition, Goodall said Foodmaker would accelerate its franchising, which currently accounts for only about 10% of its outlets. He suggested that the renamed Monterey Jack's system would add between 400 and 500 new units over the next five years, with about half franchised. When combined with proposed franchising of existing company outlets, such expansion would make for a two-thirds-franchised chain in five years.

Foodmaker operating profit through the third quarter ended June 30 decreased from year to year by an unspecified amount, "principally" because of "softness of the economy in our primary markets and an increase in competitive pressure," Ralston said in its quarterly report.

In its last full fiscal year, Foodmaker posted operating profit of $61.4 million, up 5%, on sales of $628 million, down 6%.

Foodmaker operating profit and sales last year were each about 12% of Ralston Purina's total in both categories. But Ralston said it wanted to focus on food processing instead of food service. Foodmaker consumed 33% of Ralston's capital spending budget last year yet ranked only third in operating margin performance among the company's four major lines of business, which include pet and livestock foods and grocery products.

Although at presstime Foodmaker had not confirmed the names of its senior executives participating in the leveraged buyout, it was presumed that they were the same individuals previously named by Goodall when the Forstmann Little deal was pending in May.

In addition to Goodall, a 22-year Foodmaker veteran and former Jack in the Box unit manager who has been president since 1970 and chief executive since 1979, the executives included Robert J. Nugent, executive operations vice president; Stephen ("Duffy") Oyster, executive vice president for franchising and corporate development; Barry Klein, executive marketing vice president; Charles Duddles, senior finance and administration vice president; William Rulon, senior vice president, secretary and treasurer; James T. Matthews, operations vice president and regional manager; Kenneth R. Williams, operations vice president and regional manager; Robert L. Suttie, vice president and controller; and Mohammad Iqbal, operations vice president for management and training.

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Manager, Editor **Ken Rankin**
Correspondents **Deane Evans,**
Amie Snider

Japan Diamond-Friedman Ltd., Chain Store Age News Japan 1-4-2 Kasumigaseki, Chiyoda-ku, Tokyo, Japan, 504-6750

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National Prepared Frozen Foods regional insert appears on pages 29-30.

Vol. 19, No. 41 October 7, 1985

McD ad spending soars 40%

(Continued from page 1)

about it," said Tom Kettinger, director of advertising for Burger King. "Our job is to put together the most effective programs we can with our resources. We don't have a plan to match McDonald's nationally."

Kettinger called McDonald's television clout "a fact of life" that has not changed over the years. "They just advertise as much as possible," he said.

Wendy's plans to increase its $115 million advertising budget in 1986 as part of its new "Choose Fresh" campaign but "not in direct response to McDonald's latest expenditures," said Linda Packer, the chain's manager of marketing public relations. In 1984 Wendy's hiked television spending by 48% as part of its extremely effective "Where's the Beef?" offensive.

McDonald's, which declined comment on the latest figures from the Television Bureau of Advertising, spent $143.2 million in the first six months of the year, compared with $102.4 million in the prior-year period. Network buys increased from $60 million to $88.4 million, placing McDonald's fifth on the list of leading U.S. advertisers during that period, behind Procter & Gamble, General Foods, American Home Products (Advil) and General Motors.

The heavy network buying during the period reflects McDonald's continuing shift toward national television advertising and away from local media. In 1984 McDonald's more than doubled its network advertising, to $162.5 million, while spot television spending actually dropped to $91.5 million from $105 million.

During its six-month advertising blitz, McDonald's posted a 9% and 6% gain in quarterly average-unit sales, while its two major chain competitors, Burger King and Wendy's, each suffered about a 4% drop in customer counts, according to company reports and estimates by analysts.

"This performance is especially impressive when one realizes that the company shows these percentage increases off a higher average-unit volume than its competition," said analyst L. Keith Mullins of Dean Witter.

McDonald's had average unit sales of $1.25 million last year, with Burger King at $950,000 and Wendy's at $870,000.

Several major summer campaigns, including McDonald's Value pack commecials and a good portion of Burger King's spots for its new Whopper, took place from July forward and are not reflected in those figures.

New meal tax battleground

(Continued from page 1)

dicted that 85% of the business meals served throughout the country would remain fully tax deductible.

The new alternative, advanced by House Ways and Means Committee Chairman Dan Rostenkowski (D-Ill.) late last month, would impact *all* business meals—from a $3.98 "blue plate special" at a neighborhood diner to a 40¢ cup of coffee at a fast-food outlet.

Although meals costing less than $25 would be most severely affected by Rostenkowski's alternative, business patronage of most restaurateurs serving higher-priced business meals would also suffer more under the new plan than under President Reagan's proposal.

For example, $40 business lunch at a swank New York City establishment would yield a tax deduction of $32.50 under the administration's plan. The alternative tax plan under consideration now in the House would allow a deduction of only $30 for that same meal.

Ironically, however, spending for business meals at the nation's highest-priced restaurants—those with check averages above $50—would be affected less under Rostenkowski's proposal than under the President's plan.

Even so, officials at NRA characterized the new 75% deductibility alternative as a step backward.

Although the association had not yet developed new impact estimates for Rostenkowski's scheme, NRA senior director Jeffery Prince said the new plan would be "even worse for food service" than the controversial White House "cap" would be.

The new meal deduction restrictions surfaced as part of a comprehensive series or alternatives to the President's bill developed by Rostenkowski's Joint Congressional Committee on Taxation.

Joe Lee maps '86 course

(Continued from page 3)

that has operating dynamics comparable to Red Lobster," Lee said. "We believe this concept could well become a significant growth vehicle. Italian is the most popular ethnic food. And, there is no national competitor in the Italian dinnerhouse segment."

General Mills' other restaurant chain, the four-unit Leeann Chin's, acquired earlier this year, has been placed in its consumer foods division. The placement indicates the parent company may be primarily interested in the chain's supermarket-sales potential.

While three of the four Chin's units are buffet restaurants, the fourth is a take-out deli in Dayton's department store that serves about 1,000 customers daily. Some of the take-out items are frozen, to be thawed and reheated at home. A second take-out deli is scheduled to open this fall in a Minneapolis suburb.

The consumer foods group generates 65% of the company's total sales, and the specialty retailing group 10%. In fiscal 1985, the company spun off major segments of its toy and fashion groups and sold most of its Casa Gallardos and Darryl's, and is negotiating the sale of The Good Earth restaurant chain.

'Networking' at restaurants

(Continued from page 3)

7th Avenue between 40th and 41st streets.

Becker has yet to approach upscale restaurants, but he plans to soon call on fine-dining establishments such as the Plaza hotel and the Russian Tea Room. "Right now we're only targeting midpriced lunch places because that's what our typical client wants," Becker said.

Becker's clients range from actors, bankers and entry-level employees to junior executives and the presidents of a direct marketing recruiting firm and public relations/advertising agency. Salesmen use the service to generate leads, while recruitment company representatives meet with placement candidates.

"Most of our clients are willing to spend up to $20 at lunch and walk 6 to 10 blocks," said Becker. "A lot of upper-level executive will jump in a cab, travel 25 blocks and spend $25 or more to meet the right professional contact."

Lunch Impressions members are matched according to their professional responsibilities, cuisine and ambience preferences and lunch budgets. To recognize one another, male clients wear a carnation in their lapels and women carry a silk rose; no last names or telephone numbers of lunch partners are revealed by the company. "Such information is completely confidential," said Becker. "We tell them exactly where to meet."

Becker is careful to bill Lunch Impressions as professional networking not as a dating service, a phrase he believes has pejorative overtones. Following each Lunch Impression, participants fill out feedback questionnaires concerning their experience—good or bad.

"We have men meeting men, women meeting women, single people meeting married people, even 'brown baggers' meeting at hotdog stands," said Becker.

Marriott, Prime buy Hojo

(Continued from page 1)

to Big Boy coffee shops in areas where the latter chain has little representation. The Big Boy system has a minimal presence in the Northeast, where the Howard Johnson restaurant chain has its highest concentration.

The 68 Howard Johnson turnpike restaurants are expected to be converted into either Roy Rogers or Big Boy outlets.

"We believe Howard Johnson's restaurant management and employees can make a substantial contribution to our family and turnpike restaurant businesses nationwide," said J. W. Marriott Jr., president and chief executive officer of Marriott.

Prime said it would retain the Howard Johnson name for the 125 company-owned Howard Johnson hotels, 375 franchised properties and 199 franchised restaurants included in the deal with Marriott, and will launch an aggressive expansion of the Howard Johnson lodging system. Most of the 199 franchised restaurants are located next to Howard Johnson lodges.

Prime, which already operates two franchised Howard Johnson hotels, also indicated that it would retain Howard Johnson's headquarters and hotel management staff in North Quincy, Mass.

But Fairfield, N.J.-based Prime has suggested that the Howard Johnson staff may be cut back as it is merged into Prime's management structure, which already owns and/or operates 63 hotels.

The addition of the Howard Johnson lodging properties would expand Prime's lodging fold to 563 properties and immediately make it one of the biggest hotel companies in the U.S.

Many analysts expect Prime to sell its 125 company-owned Howard Johnson hotels and retain management contracts to the properties to retire the $138 million debt it assumed in the deal with Marriott.

"It's a hell of a deal for both Marriott and Prime," analyst John Rohs of Wertheim & Co. said of the agreements with Imperial. The pending sales, which have yet to be approved by Imperial's board of directors, are expected to be completed by Jan. 1.

"By the time they [Marriott and Prime] get through splitting up the assets, the investment they made will be a relatively small one," Rohs continued. "They'll realize a very attractive return on the small investment they made. The acquisitions should generate additional earnings for both Marriott and Prime in 1986."

Michael Mueller, an analyst with Montgomery Securities, has estimated that Prime will pay less than $20,000 a room for the Howard Johnson hotels it acquires, or roughly half what has been paid for hotel properties in recent acquisitions.

Marriott will pay $65 million for 428 restaurants, or the equivalent of about $156,000 per outlet. The per-store sales average for the restaurants is about $752,000, according to *Nation's Restaurant News* research.

The addition of the Howard Johnson outlets will raise the number of Marriott's company-owned or franchised restaurants by about 30%, to 1,844 stores.

Imperial said it was prepared to include the Ground Round chain in the sale to Marriott, but found no interest on the latter's part.

"Marriott's interest in Ground Round was strictly in a broker sense," said Rohs. "Marriott would have taken it to facilitate the acquisition of the whole thing."

Other observers on Wall Street said that at least six U.S. food-service companies expressed interest in acquiring the Ground Round chain following the disclosure of Marriott's deal with Imperial.

A sale of the Ground Round chain would help Imperial recoup more of the $630 million it paid for Howard Johnson in 1980. The sale to Howard Johnson will generate only $162 million, plus the transferral of $138 million in debt.

Marriott, which said earlier this year that it was no longer interested in acquiring Howard Johnson, only to return to the bidding about two months ago, offered $400 million for the company in its original joint takeover attempt with Prime, according to sources close to the negotiations.

Some observers contend that Imperial was pressured to complete the deal with Marriott because of the rising strength of the British pound against the U.S. dollar. Four days before the Marriott deal was announced, an Imperial spokesman said that retention of Howard Johnson was still being considered.

North Beach bans fast food

(Continued from page 2)

restaurants would be an improvement over the many topless bars, strip clubs and adult bookstores in the area.

The majority of the board that voted to exempt Thompson indicated it did so because he had, for all practical purposes, completed the planning process when talk of the ban arose.

Robert Larive, president of Calny, a Taco Bell franchisee, said the ban did not change his company's plans to try to open in North Beach. Planning commissioners earlier rejected Calny's bid to open a North Beach unit, indicating the fast Mexican restaurant would not fit in.

The Calny official said he would be willing to discuss making changes in building design and service, including the replacement of paper and plastic containers with dishes, if it would win approval for the unit. He added that any changes would first have to be O.K.'d by Taco Bell.

NRN Stock Index down 0.9, fifth week of declines

NEW YORK — Despite an upswing in broader gauges of market activity, the *Nation's Restaurant News* Food-Service Operators Stock Index fell for the fifth consecutive week, closing Sept. 27 at 120.6, a 0.9-point decline.

In a trading week limited to four days because of Hurricane Gloria on Friday, Sept. 27, the Dow Jones Industrial Average rose 22.85 points to close at 1,320.79. Speculation on a takeover of General Foods drove its stock price up, accounting for much of the Dow's gain.

Issues declining in price on *NRN*'s 114-stock listing of food service and related companies overwhelmed those advancing, 61 to 27. Twenty-six were unchanged in price. Thirty stocks traded at higher volumes than their previous 12-week trading averages, while 82 traded lower and two were unchanged.

Ponderosa led both the percentage price gainers and the volume surgers in the week, after USACafes, operator of competing budget steakhouse chain Bonanza, made an unsolicited $16 a share bid for the company. Ponderosa's price went up $3.25 to $14, a 30.2% increase, on volume of 1.19 million shares, 437.8% higher than the average.

USACafes had the second-biggest relative price rise: up 50¢ to $5.50, a 10% increase.

Restaurant Systems was the second-biggest volume surger, as 197,200 shares changed hands, a 378.1% increase over average. Its price fell 13¢ to $16.88. The company, a 36-unit Wendy's franchisee, was set to be acquired by Wendy's International.

No restaurant stocks finished the week at a yearly price high, but many issues closed at 52-week lows, including: Saga Corp., down 50¢ to $23.63; Horn & Hardart, down 38¢ to $7.38; Rax Restaurants, down 75¢ to $6; Taco Villa, down 75¢ to $4.50; Taco Viva, down 38¢ to $4.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Ponderosa Sys	N	437.8	Ritzys G D	M	105.3
Rest Systems	M	378.1	Skippers	M	102.6
SIS Cp	M	223.3	Pillsbury Co	N	86.3
Acapulco Rests	M	163.9	Prime Mtr Inn	N	86.0
Gen Mills	N	122.3	Hambrg Hamlet	O	80.4

TOP TEN GAINERS

(Weekly Price Change, in %)

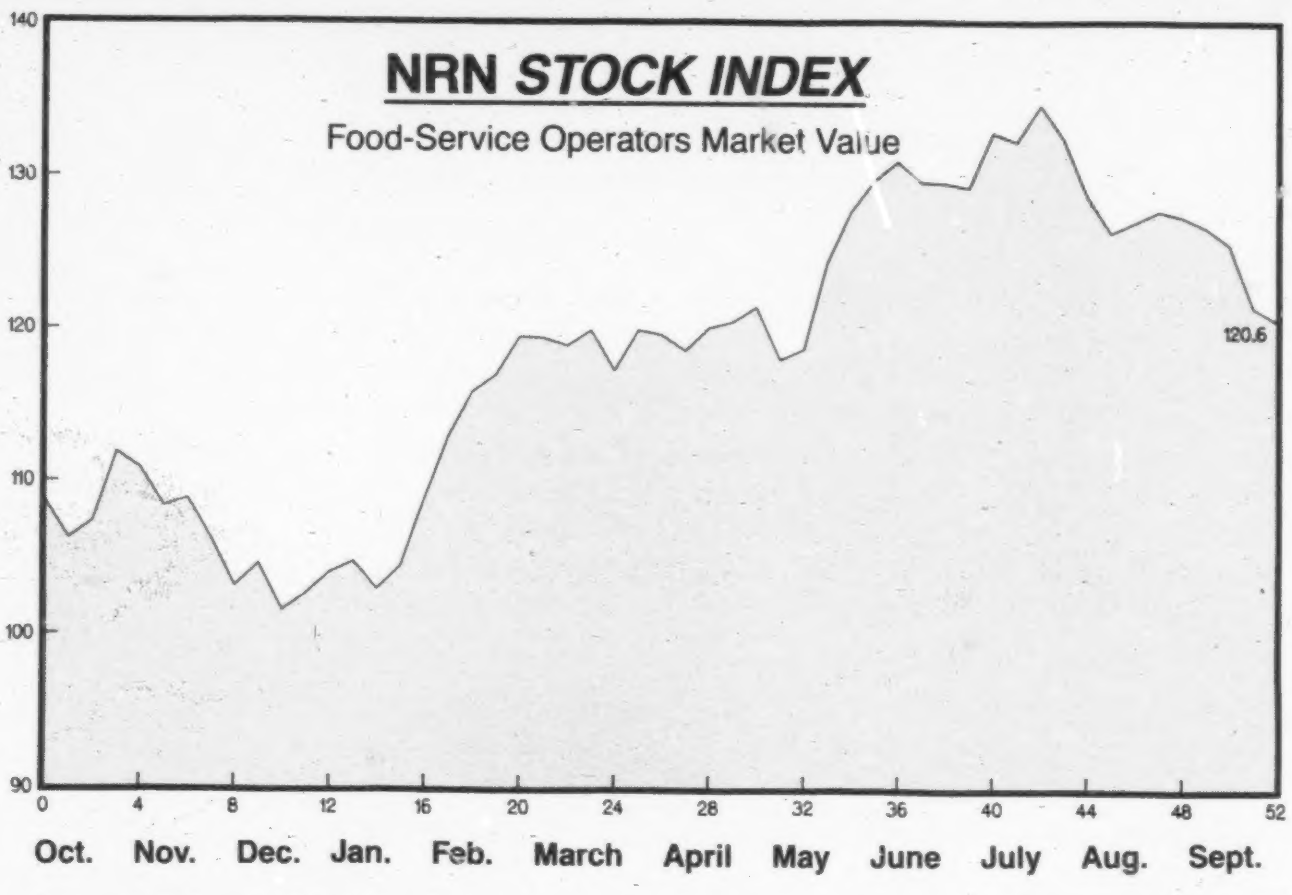
Ponderosa Sys	N	30.2	El Pollo Asa	O	5.6
USACafes	M	10.0	Gen Mills	N	5.0
Prime Mtr Inn	N	8.0	Wendys Intl	N	4.2
Intl King Tab	M	7.8	Rest Mgmt	M	4.0
A&M Food Svcs	M	7.3	Cucos Inc	O	3.7

TOP TEN LOSERS

(Weekly Price Change, in %)

Stuff Yer Face	O	- 47.4	Victoria Stations	M	- 15.8
Peo Restaurants	M	- 25.0	Taco Villa	O	- 14.3
Chefs Intl	O	- 22.2	DLites Of Amer	M	- 13.1
1 Potato 2	O	- 20.0	Naugles Inc	M	- 13.0
Fast Food Oper	O	- 20.0	Old Fashion Fd	M	- 12.8

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	9-27-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs M	7.38	.50	7.3	7.38	6.88	7.63	3.50	222	.62	.77	- 19.5	21.1	.00	.0	—	6 mos.	06-85	9.3	22.4	.5	25.0	.14	16.7	17.2	22.9	.8	14.3	.22	15.8
Acapulco Rests M	4.38	- .38	- 7.9	4.75	4.38	5.38	3.50	236	.95	.36	163.9	19.0	.00	.0		9 mos.	07-85	11.3	- 40.5	.3	NC	.11	1000.0	31.2	10.2	.3	.0	.12	- 14.3
Am Restaurants O	3.38	.00	.0	3.75	3.38	4.75	2.38	37	.16	.33	- 51.5	48.2	.00	.0		6 mos.	07-85	5.7	26.7	.1	.0	.05	66.7	10.4	15.6	.1	- 50.0	.04	- 60.0
Assoc Hosts M	11.00	- 1.00	- 8.3	11.63	10.75	17.13	10.75	1,041	2.35	3.73	- 37.0	17.5	.12	1.1	—	9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl M	14.38	- 1.00	- 6.5	14.88	13.00	21.75	12.38	1,301	4.37	3.83	14.1	12.1	.00	.0	—	3 mos.	06-85	28.1	100.7	1.1	57.1	.36	50.0	28.1	100.7	1.1	57.1	.36	50.0
Bob Evans Farms M	19.50	- .25	- 1.3	19.75	19.25	22.75	15.69	410	.23	.91	- 74.7	18.8	.27	1.4	—	3 mos.	07-85	61.9	14.6	5.0	13.6	.28	12.0	61.9	14.6	5.0	13.6	.28	12.0
Calibre Cp M	1.38	- .13	- 8.3	1.63	1.38	4.88	.63	66	.22	.32	- 31.3	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.36)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	12.25	.38	3.2	12.25	11.88	15.13	8.13	1,290	2.85	4.86	- 41.4	17.0	.16	1.3		6 mos.	08-85	16.6	27.7	.7	40.0	.16	33.3	30.2	20.8	1.6	14.3	.35	12.9
Capt Crab M	1.31	- .06	- 4.5	1.44	1.31	2.63	1.25	375	.24	.74	- 67.6	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	6.63	.00	.0	6.88	6.50	11.50	6.50	322	.41	.61	- 32.8	9.3	.07	1.1	—	fiscal	05-85	36.8	17.9	.7	- 41.7	.09	- 25.0	145.1	19.2	5.5	19.6	.71	4.4
Chefs Intl O	.44	- .13	- 22.2	0.69	0.44	1.06	.38	626	.32	.54	- 40.7	NE	.00	.0	—	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's M	10.13	.00	.0	10.38	10.00	15.13	9.38	4,540	1.68	3.45	- 51.3	18.1	.00	.0	—	3 mos.	07-85	66.6	42.9	4.5	- 10.0	.17	- 10.5	66.6	42.9	4.5	- 10.0	.17	- 10.5
Chili's Inc M	24.88	.00	.0	25.13	24.63	28.88	19.00	1,198	2.58	4.10	- 37.1	28.3	.00	.0	—	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch N	14.75	- .38	- 2.5	15.25	14.63	20.25	13.31	6,148	1.63	3.31	- 50.8	12.6	.44	3.0	—	6 mos.	06-85	136.7	11.3	11.2	1.8	.30	3.4	253.0	11.4	19.1	7.9	.51	8.5
Collins Foods N	13.88	- .63	- 4.3	14.63	13.75	16.69	9.09	1,331	.67	.92	- 27.2	15.9	.12	.9	—	3 mos.	07-85	136.4	18.6	5.6	16.7	.19	- 20.8	136.4	18.6	5.6	16.7	.19	- 20.8
Concept Dev M	8.00	- 1.00	- 11.1	9.00	7.50	16.75	5.75	325	.63	2.49	- 74.7	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts M	3.25	.00	.0	3.25	3.13	5.38	3.13	64	.20	.46	- 56.5	14.8	.08	2.5	—	9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant M	2.75	- .13	- 4.3	2.88	2.75	7.88	2.75	1,083	2.38	1.74	36.8	NE	.00	.0		3 mos.	08-85	21.9	3.8	.1	NC	.02	100.0	21.9	3.8	.1	NC	.02	100.0
Cracker Barrel M	11.13	- .88	- 7.3	12.00	11.13	17.75	10.25	39	.11	1.76	- 93.8	15.7	.14	1.3	—	fiscal	07-85	20.7	19.7	1.5	15.4	.45	- 2.2	67.5	18.6	2.4	- 11.1	.71	- 27.6
Cucos Inc O	7.00	.25	3.7	7.75	6.75	7.00	2.75	81	.47	.78	- 39.7	43.8	.00	.0		fiscal	06-85	1.8	100.0	.1	NC	.06	66.7	6.6	106.3	.3	50.0	.16	23.1
DLites Of Amer M	6.63	- 1.00	- 13.1	7.63	6.50	15.50	6.63	1,462	2.87	3.30	- 13.0	39.0	.00	.0	—	3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts M	22.00	- 1.38	- 5.9	23.50	22.00	25.38	14.84	882	1.23	1.58	- 22.2	15.7	.24	1.1	—	9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico M	9.50	.13	1.3	9.50	9.38	12.50	7.25	774	1.66	1.88	- 11.7	10.9	.00	.0	—	3 mos.	08-85	21.9	3.8	1.0	11.1	.22	10.0	21.9	3.8	1.0	11.1	.22	10.0
El Pollo Asa O	4.75	.25	5.6	5.00	4.63	6.34	1.84	293	1.74	3.50	- 50.3	NE	.00	.0	—	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest N	13.13	- .88	- 6.3	14.00	13.00	19.25	10.63	1,059	.96	1.03	- 6.8	12.2	.00	.0	—	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest M	1.88	- .13	- 6.3	2.00	1.75	3.88	1.63	643	1.07	1.14	- 6.1	NE	.00	.0	—	6 mos.	06-85	12.3	- 2.4	(.1)	- 100.0	(.02)	- 100.0	28.6	- 3.7	.3	NC	.05	NC
Fast Food Oper O	.50	- .13	- 20.0	0.75	0.50	1.31	.50	44	.07	.47	- 85.1	25.0	.00	.0	—	6 mos.	06-85	1.9	- 9.5	.1	.0	.01	- 50.0	3.7	- 2.6	.1	.0	.01	- 50.0
Flakey Jakes M	3.00	- .25	- 7.7	3.25	2.88	8.25	2.38	1,782	2.56	3.35	- 23.6	NE	.00	.0	—	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest O	1.50	.00	.0	2.50	1.50	7.38	1.50	0	.00	.19	-100.0	NE	.00	.0	—	3 mos.	03-85	1.7	88.9	(.3)	NC	(.18)	- 100.0	1.7	88.9	(.3)	NC	(.18)	- 100.0
Frisch's A	22.13	.38	1.7	22.13	21.13	26.00	14.50	85	.19	.16	18.8	19.2	.22	1.0	—	fiscal	05-85	30.5	- 5.9	1.7	- 10.5	.39	- 7.1	127.3	2.7	5.0	2.0	1.15	3.6
Fuddruckers Inc M	6.63	- .13	- 1.9	6.88	6.63	14.50	6.00	1,462	2.16	2.97	- 27.3	39.0	.00	.0	—	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco O	.31	.00	.0	0.44	0.31	3.00	.25	58	.20	.71	- 71.8	NE	.00	.0	—	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	14.75	.00	.0	15.50	14.50	15.25	10.50	60	.83	.46	80.4	7.6	.00	.0	—	fiscal	03-85	9.9	6.5	.3	50.0	.39	30.0	38.6	8.7	1.4	75.0	1.95	68.1
Hungry Tiger M	5.75	- .13	- 2.1	5.88	5.63	6.25	3.63	275	.95	2.21	- 57.0	NE	.00	.0	—	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen O	63.50	- .50	- .8	67.50	63.50	65.00	39.50	6	.03	.13	- 76.9	15.6	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab M	17.25	1.25	7.8	17.75	16.00	24.75	14.88	716	2.49	2.01	23.9	11.3	.00a	.0	—	fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB Restaurant M	11.50	- .13	- 1.1	11.88	11.50	15.50	9.09	380	.82	3.02	- 72.8	15.1	.16	1.4	—	9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc M	21.13	- .50	- 2.3	22.00	20.75	23.25	14.25	6,839	4.33	4.61	- 6.1	15.0	.12	.6	—	fiscal	06-85	140.6	11.1	7.6	10.1	.48	11.6	518.2	7.0	22.3	9.3	1.41	9.3
Kapok Cp A	3.50	- .25	- 6.7	3.75	3.50	4.38	1.13	104	.43	1.08	- 60.2	2.1	.00	.0		9 mos.	06-85	3.8	- 40.6	1.1	NE	.40	NE	14.6	- 15.6	4.9	NE	2.01	NE
Karcher Carl M	16.13	- .13	- .8	16.25	15.88	23.75	13.50	469	.66	1.29	- 48.8	14.5	.00	.0	—	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Lifestyle Rest A	1.75	.00	.0	1.88	1.63	3.13	1.50	171	.30	.36	- 16.7	NE	.00	.0	—	6 mos.	04-85	24.6	- 12.1	(1.7)	NE	(.29)	NE	41.7	- 11.7	(4.2)	NE	(.73)	NE
Luby's Cafe N	33.38	- .38	- 1.1	34.50	33.25	37.38	26.38	425	.35	.36	- 2.8	21.5	.60	1.8	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp M	17.50	.00	.0	17.75	17.38	19.38	13.88	33	.06	.28	- 78.6	10.5	.30	1.7		3 mos.	08-85	36.1	7.8	3.2	14.3	.62	12.7	36.1	7.8	3.2	14.3	.62	12.7
Marriott Corp N	89.25	- .25	- .3	91.88	88.13	100.00	70.00	990	.38	.56	- 32.1	15.7	.54	.6	—	6 mos.	06-85	1002.3	21.5	43.1	24.2	1.59	24.2	1876.5	19.6	70.8	22.7	2.63	24.6
Maverick Rest M	1.50	- .13	- 7.7	2.00	1.50	6.00	1.50	41	.08	.21	- 61.9	NE	.00	.0	—	6 mos.	07-85	3.3	13.8	(.1)	- 100.0	(.02)	- 100.0	6.4	20.8	(.1)	- 100.0	(.02)	- 100.0
Max & Erma's O	2.25	- .13	- 5.3	3.00	2.25	4.75	2.25	36	.20	.12	66.7	NE	.00	.0		9 mos.	07-85	4.0	- 9.1	(.2)	NE	(.12)	NE	12.6	- 4.5	(.1)	NE	(.07)	NE
McDonald's Cp N	64.38	1.25	2.0	64.38	62.25	70.00	48.88	8,752	1.02	1.05	- 2.9	13.9	.90	1.4	—	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures M	10.00	- .13	- 1.2	10.50	10.00	11.88	9.75	179	.37	.67	- 44.8	12.3	.00	.0	—	6 mos.	05-85	16.6	74.7	1.4	75.0	.30	76.5	29.8	49.0	2.6	62.5	.55	61.8
Morrison Inc M	18.75	.25	1.4	19.00	18.63	21.88	15.50	854	.63	1.20	- 47.5	14.5	.48	2.6		fiscal	05-85	120.5	- 5.9	3.2	- 48.4	.24	- 46.7	478.8	3.1	17.6	- 14.1	1.29	- 12.2
Mr Steak O	1.25	.00	.0	1.50	1.00	3.13	1.00	327	.68	.68	.0	NE	.00	.0	—	9 mos.	06-85	7.0	- 59.1	(.5)	NE	(.11)	NE	21.8	- 56.2	(.6)	NE	(.14)	NE
Nankin Express O	.38	.00	.0	0.69	0.38	2.38	.38	117	.52	.83	- 37.3	NE	.00	.0	—	6 mos.	07-85	.4	100.0	(.6)	NE	(.26)	NE	.7	75.0	(.9)	NE	(.39)	NE
Nathans M	3.63	- .38	- 9.4	4.00	3.63	4.50	2.00	79	.35	.84	- 58.3	10.4	.05	1.4		3 mos.	06-85	6.6	8.2	.5	25.0	.21	16.7	6.6	8.2	.5	25.0	.21	16.7
Natl Pizza M	11.50	- .50	- 4.2	12.00	11.50	12.88	7.50	23	.04	.68	- 94.1	15.5	.00	.0	—	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc M	2.50	- .38	- 13.0	3.06	2.38	9.25	2.25	1,396	3.15	3.51	- 10.3	NE	.00	.0	—	fiscal	06-85	30.8	13.2	(7.5)	- 100.0	(1.68)	- 100.0	124.1	8.1	(9.2)	NE	(2.06)	NE
Nohie Roman O	7.00	.00	.0	7.75	7.00	8.50	6.13	20	.17	.31	- 45.2	58.3	.00	.0	—	6 mos.	06-85	5.5	25.0	(.1)	- 100.0	(.02)	- 100.0	10.2	14.6	(.2)	- 100.0	(.13)	- 100.0
1 Potato 2 O	.50	- .13	- 20.0	0.75	0.50	5.00	.50	127	.58	.48	20.8	NE	.00	.0	—	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd M	4.25	- .63	- 12.8	5.25	4.25	5.25	4.00	90	.64	1.04	- 38.5	6.7	.00	.0	—	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet M	7.38	.00	.0	7.50	7.13	8.38	6.00	1,393	3.75	2.47	51.8	13.2	.13	1.8	—	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants M	.09	- .03	- 25.0	0.16	0.09	1.50	.09	199	.23	.85	- 72.9	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf M	22.50	- .25	- 1.1	23.13	22.50	24.13	16.50	84	.14	.92	- 84.8	14.2	.60	2.7	—	fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn A	7.75	.13	1.6	7.75	7.13	10.25	6.88	163	.54	.68	- 20.6	NM	.08	1.0	—	6 mos.	06-85	50.6	4.1	.3	- 72.7	.10	- 71.4	98.3	13.0	.4	- 78.9	.14	- 77.0
Po-Folks M	11.63	- .50	- 4.1	12.13	11.63	14.75	8.75	79	.18	1.03	- 82.5	15.1	.00	.0	—	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys N	14.00	3.25	30.2	14.50	10.88	19.38	10.50	11,906	12.37	2.30	437.8	NM	.40	2.9	—	6 mos.	08-85	117.7	- 6.1	1.5	- 68.1	.16	- 68.6	234.9	- 3.7	2.3	- 75.0	.24	- 77.4

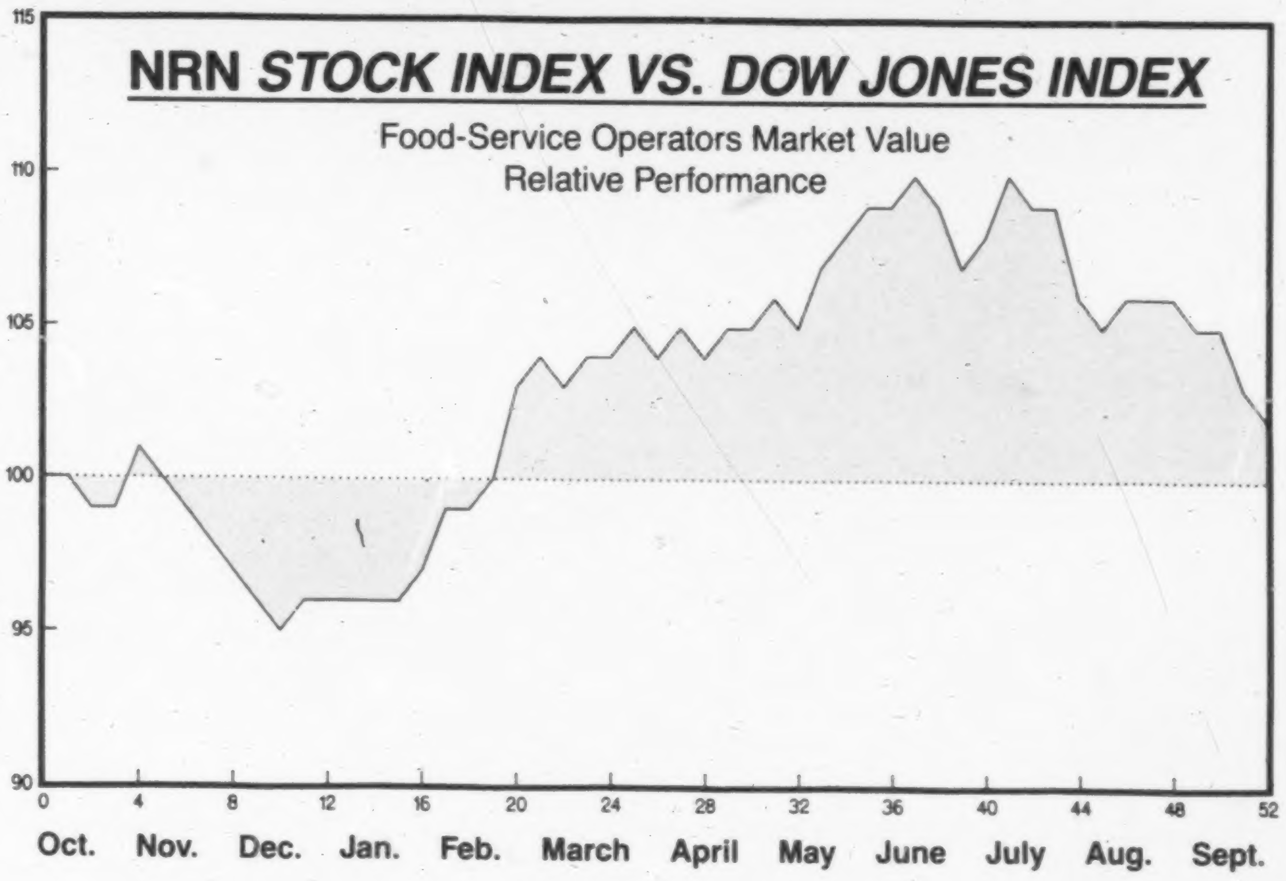


NRN *STOCK INDEX*

Food-Service Operators Market Value

Source: Media General Financial Services

Oct. 28, 1983 = 100



NRN *STOCK INDEX VS. DOW JONES INDEX*

Food-Service Operators Market Value
Relative Performance

Stock Market

Company and Market	Price							Volume			
	9-27-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change
-	$	$	%	$	$	$	$	(100)	%	%	%
Primo Inc ..... O	1.75	- .13	- 6.7	2.13	1.75	4.63	1.50	132	.39	.60	- 35.0
RAX Restaurants ..... M	6.00	- .75	- 11.1	6.75	6.00	15.25	6.00	266	.39	.73	- 46.6
Rest Assoc ..... A	5.00	.00	.0	5.00	4.63	6.59	3.84	166	.42	.84	- 50.0
Rest Mgmt ..... M	13.00	.50	4.0	13.00	12.50	15.00	6.75	78	.37	1.56	- 76.3
Rest Systems ..... M	16.88	- .13	- .7	16.88	16.50	17.00	11.75	1,972	8.51	1.78	378.1
Ritzys G D ..... M	2.00	.00	.0	2.25	1.94	4.50	1.75	811	1.56	.76	105.3
Rusty Pelican ..... M	14.50	.00	.0	15.00	14.50	18.25	11.00	142	.50	1.29	- 61.2
Ryan's Fam ..... M	15.50	- .25	- 1.6	16.25	15.25	19.25	11.34	1,856	2.67	1.67	59.9
Saga Corp ..... N	23.63	- .50	- 2.1	24.50	23.63	35.00	23.63	1,212	.93	1.47	- 36.7
Sandwich Chef ..... M	7.63	.00	.0	8.13	7.63	8.88	6.88	19	.15	.35	- 57.1
Sea Galley ..... M	4.63	.13	2.8	4.63	4.13	9.50	4.13	1,747	5.50	4.11	33.8
Shoney's Inc ..... M	26.13	.13	.5	26.75	25.38	31.88	21.94	2,643	.93	1.53	- 39.2
Shoney's South ..... M	11.63	.00	.0	11.88	11.50	16.25	10.00	540	.96	1.66	- 42.2
SIS Cp ..... M	5.00	.13	2.6	5.50	4.75	6.00	3.25	300	1.94	.60	223.3
Sizzler Rest Intl ..... M	14.75	- .25	- 1.7	15.25	14.50	17.75	9.16	1,110	1.09	.83	31.3
Skippers ..... M	10.25	- .75	- 6.8	11.00	9.88	12.50	8.75	1,262	4.62	2.28	102.6
So Hospitality ..... M	4.63	.00	.0	4.63	4.38	5.88	4.00	468	.94	2.06	- 54.4
Stuff Yer Face ..... O	.31	- .28	- 47.4	0.56	0.31	1.44	.31	826	.54	.41	31.7
Swensens Inc ..... O	1.63	.00	.0	2.13	1.63	3.13	1.50	89	.17	.19	- 10.5
Taco Villa ..... O	4.50	- .75	- 14.3	5.25	4.50	7.75	4.50	37	.04	.12	- 66.7
Taco Viva ..... M	4.00	- .38	- 8.6	4.38	4.00	7.50	4.00	127	.37	.98	- 62.2
TGI Friday's ..... N	8.63	.13	1.5	8.88	8.50	12.38	7.88	669	.58	.57	1.8
TGIF Texas ..... O	2.00	.00	.0	2.38	2.00	2.38	2.00	0	.00	.09	-100.0
TCBY Entrprs ..... M	19.50	- 2.25	- 10.3	22.00	19.00	23.75	4.09	2,142	4.91	4.57	7.4
Transworld ..... N	36.50	- 1.25	- 3.3	38.25	35.88	41.13	28.25	6,300	1.77	1.46	21.2
USACafes ..... M	5.50	.50	10.0	5.50	4.75	6.00	3.25	2,954	4.70	3.37	39.5
Vicorp Restaurants ..... M	16.75	- 1.13	- 6.3	17.50	16.50	28.25	13.25	3,815	4.53	4.65	- 2.6
Victoria Stations ..... M	2.00	- .38	- 15.8	2.44	2.00	4.38	2.00	292	.64	1.73	- 63.0
Wendys Intl ..... N	15.38	.63	4.2	15.50	14.50	19.13	12.19	14,354	1.96	1.37	43.1
Wstn Steer ..... M	11.50	.00	.0	13.00	11.50	14.00	9.00	18	.15	.54	- 72.2
Winners Cp ..... N	6.50	.00	.0	6.75	6.38	8.75	5.13	536	1.34	.96	39.6
Hotels, Motels, and Casinos											
Brock Hotel Cp ..... N	1.50	- .13	- 7.7	1.63	1.38	5.13	1.38	1,209	.86	.67	28.4
Hilton Hotels ..... N	58.25	- .25	- .4	59.75	58.13	73.50	50.88	1,347	.54	.85	- 36.5
Holiday Cp ..... N	51.25	.38	.7	51.88	50.88	58.13	35.25	6,190	2.27	1.51	50.3
Prime Mtr Inn ..... N	35.25	2.63	8.0	35.25	32.63	36.75	16.13	4,365	2.25	1.21	86.0
Ramada Inns ..... N	8.00	.25	3.2	8.00	7.13	9.50	5.13	5,193	1.40	3.42	- 59.1
Servico Inc ..... M	19.25	.00	.0	20.25	19.00	21.38	13.44	17	.05	.34	- 85.3
Sonesta Intl ..... M	22.50	- .50	- 2.2	25.50	22.50	27.00	18.50	8	.05	.07	- 28.6
Other Companies with Food-Service Operations											
Allegheny Bev ..... M	17.88	- .25	- 1.4	18.75	17.63	22.63	15.38	1,630	2.71	1.75	54.9
Arden Intl ..... O	2.63	- .13	- 4.5	2.88	2.63	2.75	1.13	104	.44	.58	- 24.1
Ch Full O Nut ..... N	8.25	.13	1.5	8.25	8.13	11.41	7.03	100	.20	.57	- 64.9
Disney, Walt ..... N	84.25	- 1.25	- 1.5	86.75	84.13	95.00	53.63	2,632	.80	1.59	- 49.7
Gen Mills ..... N	60.63	2.88	5.0	61.00	57.75	64.00	47.75	11,050	2.49	1.12	122.3
Grace W R ..... N	39.75	- .75	- 1.9	40.88	39.00	45.00	38.50	3,810	.79	.83	- 4.8
Horn & Hardart ..... A	7.38	- .38	- 4.8	8.00	7.38	12.00	7.38	367	.30	.89	- 66.3
Ogden Corp ..... N	29.88	.25	.8	30.25	29.50	34.25	24.13	531	.28	.98	- 71.4
PepsiCo Inc ..... N	59.38	.38	.6	60.50	58.75	60.50	39.88	10,553	1.12	1.42	- 21.1
Pillsbury Co ..... N	58.88	.63	1.1	61.50	56.13	63.50	38.13	10,580	2.44	1.31	86.3
Restec ..... O	3.50	.00	.0	4.25	3.50	4.50	3.50	9	.05	.05	.0
Reynolds, RJ ..... N	26.00	.25	1.0	26.75	25.63	35.00	25.50	16,417	.65	1.04	- 37.5
Vie de France ..... M	9.13	- .13	- 1.4	9.50	9.13	14.13	8.13	77	.07	.77	- 90.9

Financial Update

Company and Market	P/E	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
							Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
	Ratio	Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Primo Inc ..... O	NM	.00	.0	.....	9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants ..... M	NC	.00	.0	.....	fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc ..... A	15.2	.10	2.0	.....	6 mos.	06-85	35.8	9.1	.6	.0	.18	20.0	69.0	9.9	.3	- 50.0	.09	- 40.0
Rest Mgmt ..... M	18.6	.09	.7	.....	9 mos.	07-85	8.5	28.8	.5	25.0	.15	- 11.8	26.7	34.8	1.5	36.4	.54	10.2
Rest Systems ..... M	18.3	.00	.0	.....	6 mos.	06-85	9.6	18.5	.6	20.0	.23	4.5	20.1	8.6	1.1	10.0	.46	7.0
Ritzys G D ..... M	NE	.00	.0	.....	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican ..... M	16.9	.00	.0	.....	fiscal	07-85	19.2	1.3	1.2	71.4	.44	37.5	53.7	47.1	2.3	27.8	.86	1.2
Ryan's Fam ..... M	25.4	.00	.0	.....	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp ..... N	10.8	.52	2.2	.....	fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef ..... M	13.4	.00	.0	.....	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley ..... M	2.5	.00	.0	.....	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc ..... M	20.9	.15	.6	.....	9 mos.	07-85	134.2	13.9	10.4	26.8	.36	20.0	413.8	14.9	27.6	26.0	.96	20.0
Shoney's South ..... M	10.8	.00	.0	.....	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	- 25.0	.51	- 25.0
SIS Cp ..... M	NE	.00	.0	.....	6 mos.	06-85	3.4	61.9	.0	- 100.0	.03	- 25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl ..... M	14.5	.00	.0	.....	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers ..... M	11.1	.08	.8	.....	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality ..... M	11.0	.00	.0		3 mos.	08-85	12.2	14.0	.7	75.0	.15	87.5	12.2	14.0	.7	75.0	.15	87.5
Stuff Yer Face ..... O	NE	.00	.0	.....	3 mos.	06-85	.8	60.0	(.1)	NE	(.01)	NE	.8	60.0	(.1)	NE	(.01)	NE
Swensens Inc ..... O	NE	.00	.0	.....	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa ..... O	23.7	.00	.0	.....	6 mos.	06-85	18.9	166.2	.5	66.7	.06	- 14.3	34.1	138.5	.3	- 50.0	04	- 73.3
Taco Viva ..... M	11.8	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's ..... N	12.5	.00	.0	.....	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas ..... O	NE	.00	.0	.....	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs ..... M	54.2	.00	.0	.....	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld ..... N	12.1	.48	1.3	.....	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	4.3	47.1	- 4.3	1.19	- 9.8
USACafes ..... M	15.7	.28	5.1	.....	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants ..... M	15.0	.12	.7	.....	9 mos.	07-85	93.9	39.3	3.1	14.8	.33	- 19.5	286.4	85.5	5.9	1.7	.67	- 23.0
Victoria Stations ..... M	NE	.00	.0	.....	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl ..... N	15.4	.21	1.4	.....	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer ..... M	14.2	.20	1.7	.....	6 mos.	08-85	11.8	14.6	.4	300.0	.27	285.7	23.2	17.2	.7	75.0	.54	63.6
Winners Cp ..... N	NM	.00	.0	.....	6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																		
Brock Hotel Cp ..... N	NE	.10	6.7	.....	6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels ..... N	12.3	1.80	3.1	.....	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp ..... N	12.2	1.00	2.0	.....	6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn ..... N	27.5	.09	.3		fiscal	06-85	126.9	474.2	7.7	67.4	.39	62.5	304.5	320.0	25.0	44.5	1.28	42.2
Ramada Inns ..... N	57.1	.00	.0	.....	6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	- 1.3	1.0	25.0	.03	50.0
Servico Inc ..... M	9.6	.00a	.0	.....	6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl ..... M	6.9	.40	1.8	.....	6 mos.	06-85	20.9	- 6.7	1.8	- 14.3	1.65	19.6	32.9	- 9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																		
Allegheny Bev ..... M	1.7	.40	2.2	.....	3 mos.	06-85	225.3	88.9	69.9	3395.0	11.20	3400.0	225.3	88.9	69.9	3395.0	11.20	3400.0
Arden Intl ..... O	NE	.00	.0	.....	3 mos.	03-85	3.5	20.7	(.1)	NC	(.04)	NE	3.5	20.7	(.1)	NC	(.04)	NE
Ch Full O Nut ..... N	NM	.00a	.0	.....	fiscal	07-85	30.7	.7	(.4)	NE	(.08)	NE	117.8	.3	.0	- 100.0	.01	- 93.8
Disney, Walt ..... N	47.6	1.20	1.4	.....	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills ..... N	37.2	2.24	3.7	.....	fiscal	05-85	984.6	- 27.7	(108.5)	- 100.0	.84	- 6.7	4285.2	- 23.5	(72.9)	- 100.0	1.63	- 67.3
Grace W R ..... N	11.5	2.80	7.0	.....	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart ..... A	NM	.00a	.0	.....	6 mos.	06-85	91.3	- 2.6	(1.7)	- 100.0	(.15)	- 100.0	173.6	- 3.6	(1.7)	- 100.0	(.16)	- 100.0
Ogden Corp ..... N	17.2	1.80	6.0	.....	6 mos.	06-85	NC	NC	5.4	- 53.0	.27	- 55.0	502.3	- 53.8	17.4	- 25.0	.90	- 25.6
PepsiCo Inc ..... N	10.7	1.78	3.0	.....	6 mos.	06-85	1880.8	- .3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co ..... N	13.3	1.72	2.9	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	1.09	9	4670.6	11.9	191.8	13.0	4.42	13.0
Restec ..... O	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Reynolds, RJ ..... N	8.0	1.40	5.4	.....	6 mos.	06-85	3404.0	31.0	228.0	- 14.3	.86	- 3.4	6302.0	34.4	410.0	- 5.1	1.52	7.0
Vie de France ..... M	17.5	.23	2.5	.....	fiscal	06-85	14.6	- 2.0	1.1	- 38.9	.10	- 41.2	63.1	14.3	5.6	- 5.1	.52	- 10.3

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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Interstate shifts its F&B emphasis

Romeo's Lodging Report/Page 14

Nation's
Restaurant News®

The Weekly Newspaper of the Food-Service Industry

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Takeover frenzy reshaping industry

New power lineup emerging

By Charles Bernstein

An unprecedented takeover blitz on huge food companies and rapid spinoffs of nonfood-related divisions are creating shock waves as well as opportunities throughout the industry.

Prodded by lower interest rates, the mergers are giving impetus to a continued growth spurt by food-service supplier divisions. These deals reflect a desire by conglomerates for the stability, strong name brand identification and earnings potential that the largest food companies offer. Other such mergers well may be in the offing for the same reasons.

In the latest spate of merger activity this month, Procter & Gamble has agreed to acquire Richardson-Vicks while Dutch-British conglomerate Unilever reportedly is eying a bid for the Beatrice Cos. after an earlier Unilever bid for P&G failed.

Beatrice, in turn, plans to sell Avis and three other divisions that were part of its $2.5 billion Esmark purchase last year. Apparently Beatrice is clearing the decks to concentrate on packaged goods, food products and food-service supply while trying to reduce its huge debt.

These developments follow quickly on the heels of Philip Morris' agreement to purchase General Goods for $5.8 billion in the biggest nonoil merger in history. Ralston Purina was one of several companies believed involved in the General Foods bidding.

At the same time, Nestle, which purchased Carnation for $2.9 billion in January, has decided to switch its Libby division and brands to the Carnation and Nestle Foods divisions.

R. J. Reynolds, which previously acquired Del Monte Foods, Heublein and

*(See **MERGER**, page 53)*

LATEST ACQUISITIONS

Purchaser	Company Acquired	Price	Date Completed
Procter & Gamble	Richardson-Vicks	$1.5B	Pending
Philip Morris	General Foods	5.8B	Pending
R. J. Reynolds	Nabisco	4.9B	Sept. '85
Nestle	Carnation	2.9B	Jan. '85

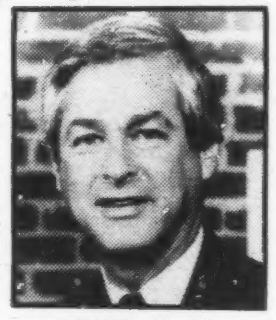
Source: *NRN* research

Saga regroups after dip

Disbands office of the president

By Alan Liddle

MENLO PARK, Calif. — Saga Corp., which in July reported its first drop in earnings in five years, has reorganized its operating groups, disbanded the office of the president and made several personnel changes, including the promotion of Laurence B. Mindel to the presidency of the five-division restaurant group.

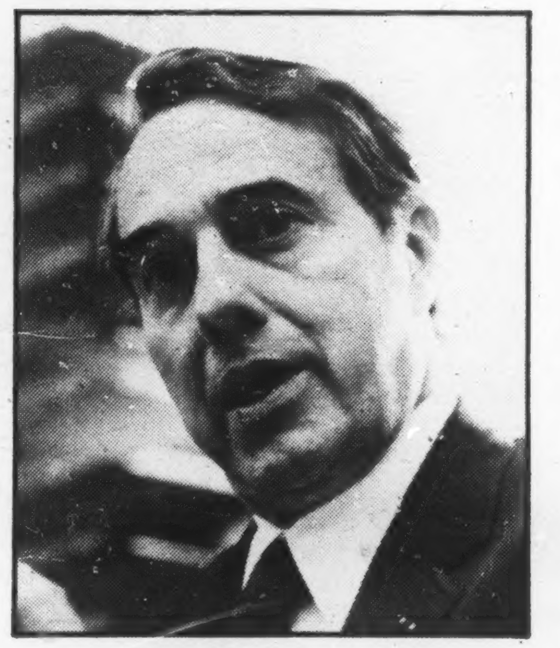


Mindel

Saga chairman Charles A. Lynch never filled the position of president in the three years the office existed. It had been run by three, and later, two, executive vice presidents.

Mindel, 47, previously headed up the eight-unit Spectrum Foods division made up of several different concepts, including Prego, Ciao, Harry's Bar and American Grill and MacArthur Park. He and ex-partner Jerry Magnin

*(See **SAGA**, page 53)*



Robert Dole
Defends tax package

Dole dodges NRA on meal tax plan

WASHINGTON — Senate Majority leader Robert Dole (R.-Kan.) artfully dodged a critical question posed on meal tax deduction legislation by National Restaurant Association president Ted J. Balestreri during the NRA's first annual public affairs conference here earlier this month. (For related opinions, see Editor's Corner, Page 9.)

"What possible advantage could meal tax disallowances be to anyone?" Balestreri forcefully asked after Dole had completed a brief talk on tax reform and federal deficit problems.

"I think you're making a statement, Ted, rather than asking a question," replied Dole with a smile. "We would have to look at all aspects of the effects of such legislation if and when the House ever passes and sends a tax bill to the Senate. It is not a simple question, and there are many ramifications to it and must be explored."

But Dole did tell Balestreri and the 250-person audience of influential food-service leaders from around the country that "President Reagan has just told me there are still too many inequities in our tax structure and that tax reform must be passed this year."

Dole indicated he agreed with Reagan on the premise of inequities but didn't see how the tax reform bill could possibly pass Congress by De-

*(See **DOLE**, page 53)*

Chili's inks Northeast license deal

By David Zuckerman

DALLAS — Chili's, the full-service casual theme-upscale hamburger chain based here has agreed to grant Randolph, Mass.-based Dunkin' Donuts exclusive licensing rights to develop Chili's outlets throughout the New England States, Canada's eastern provinces and upstate New York, according to sources at both companies.

For the 35-year-old Dunkin' Donuts, the deal marks a first venture outside its limited doughnut niche, where the company has established a strong leadership position

*(See **CHILI'S**, page 50)*

Robert Keilt, president and chairman of California Smoothie, behind the counter at store in Paramus Park, N.J.

California Smoothie plans rapid expansion

Aims to double size of chain yearly

By Marilyn Alva

CLIFTON, N.J.—The laid-back, slow growth years at California Smoothie are over as the quick-service health chain feverishly embraces an all-out expansion drive that aims to double its size every year for the foreseeable future.

Robert B. Keilt, the tanned, blue-eyed, blond president and chairman, said he is looking to open California Smoothie stores, which feature blended fruit drinks and light foods, in 500,000-sq.-ft.-plus malls with upper-middle-income bases. "If they do $200 in sales per square foot we're interested," he said.

After opening its 11th unit in Cherry Hill, N.J., recently and disclosing that seven more stores will open by year's end. Keilt confirmed he has spent the last year putting together an organization that means to forge ahead with new company sites as well as a major franchise program.

Although the current mix features more company-operated stores (66%), Keilt estimated that 80% of new openings will be franchises. Depending on size and location, start-up costs will average between $126,000 to

*(See **SMOOTHIE**, page 4)*

VIEWPOINT LETTERS/COLUMNISTS

House alternative tax plan offers no relief to industry

Dateline Washington

Ken Rankin

WASHINGTON — The new alternative tax reform game plan of House Ways and Means Committee chairman Dan Rostenkowski appears to have extinguished all remaining prospects for final passage of any sweeping tax code overhaul this year.

Even before the committee's new option plan surfaced late last month, Congressional leaders and industry lobbyists were predicting that the 1985 legislative clock would tick down to zero before the Senate could complete action on the tax reform proposal currently being hammered out in the House.

Rostenkowski's alternative complicates matters further, and now it is debatable whether even the House will be able to finish work or a tax reform bill before the scheduled pre-Thanksgiving close of business on Capitol Hill.

That is not to say that the House is dragging its feet. According to Ron Sarasin, National Restaurant Association government relations director, Congressional leaders are pulling out all the stops to complete work on the bill in order to rid themselves of the tax reform issue before election year.

From a purely partisan standpoint, however, House Democrats would love to see the GOP-controlled Senate grappling with tax reform well into the 1986 campaign season. And they can accomplish that by turning the ball over to the Senate with no time left on the clock.

In order to do that, however, House leaders have been counting on help from the business community.

Although President Reagan's proposal has generated stiff opposition from a number of affected industries (food service, real estate and insurance among them), that tax reform plan has drawn broad-based support from a number of other business sectors (retailing, wholesaling, transportation, food processing and "high tech" manufacturing).

As of late last month, more than 200 major corporations and national trade associations had joined an unprecedented "Tax Reform Action Coalition" (TRAC) to pressure Congress into adopting the President's plan.

But TRAC's support of tax reform is based largely on Reagan's plan to lower the maximum corporate tax rate to 33%.

Calling that rate cut "the linchpin of tax reform," TRAC ran full-page advertisements in Washington newspapers, urging the Ways and Means Committee to "adopt these rate structures at the *outset* of the markup" of Reagan's bill.

Rostenkowski, however, ignored that plea and advanced an alternative "option plan" setting the maximum corporate tax rate at 35%. The result: A number of TRAC members are reconsidering their position on tax reform.

* * *

The restaurant industry, of course, does not have to reconsider its overall stand on tax reform legislation. Groups such as NRA and the Food Service and Lodging Institute have been openly opposed to provisions in the administration's plan to limit business meal deductions.

If anything, Rostenkowski's alternative (allowing only a 75% deduction for business meal spending across the board) will only deepen food-service industry opposition to tax reform.

But if Rostenkowski's counterproposal muddles and prolongs the Congressional debate over tax reform, it could work to the restaurant industry's favor.

COMPARING THE ALTERNATIVES

Meal Cost Per Person*	Tax Deduction Allowed Under: Current Law	Reagan's Bill	Rostenkowski's Alternative
$ 5	$ 5	$ 5.00	$ 3.75
10	10	10.00	7.50
25	25	25.00	18.75
30	30	27.50	22.50
40	40	32.50	30.00
50	50	37.50	37.50
60	60	42.50	45.00
80	80	52.50	60.00
100	100	62.50	75.00

*including taxes and gratuities.

Source: *NRN research*

The Quandary adjusts to Oregon's tough drinking laws

Beer, Wine and Spirits

Mort Hochstein

"I don't know the definition of saloon," said Dennis King, proprietor of the Veritable Quandary in Portland, Ore. "But to me, the Quandary is a saloon. It's a drinking man's bar, a professional man's bar. It's an Irish pub." And it is also a prime example of how tough drinking laws have changed the way a business operates.

The Quandry is smack in the heart of downtown Portland, a block from the Willamette River and a few blocks from the Civic Auditorium. It is a small establishment, an ancient brick building in a sea of new office structures. The small area it occupies, once known as south Portland, has been the site of intensive urban renewal for the past 15 years and contains the oldest and the newest of Portland.

"This was a dying neighborhood," said King, who bought his building in 1971 when it was still occupied by gypsies, "Now every block is a new building filled with potential customers, but we can barely sell a drink."

King has been hit hard by Oregon's tough drinking laws, which were made even tougher little more than a year ago. Until 1984 an Oregonian was considered drunk with a blood alcohol count of 1.5%. The figure dropped to 1.0% and last July to 0.08%. Portland police put on a rigid enforcement program, mounting roadblocks during the holiday season.

An officer is empowered to stop a driver for any reason, and it he suspects the operator has taken alcohol, he can request that person to undergo a breatholizer test. If the driver refuses, he or she faces the possibility of an immediate one-year license suspension. If the driver takes the test and fails, he or she goes to jail for several days and the license can be suspended.

Although King agrees with the law in principle, he argues with the idea of making criminals out of moderate drinkers. "The chronic abusers are still here," he said. "I sense the people I'm losing are the less than 0.08."

King and his partner, David Thomson, started out small in 1971, but business picked up rapidly and the Quandary soon became a hangout for people frequenting the nearby city hall and county courthouse as well as for journalists, writers and poets. It also attracts performers from the nearby Civic Auditorium. For a dozen years, The Quandary built a loyal following, and then business began to fall off.

King puts the blame on three factors, the first of which is what he calls a cultural shift. "Our clientele moved into a more serious age bracket," he explained. "We've got families, we're serious about our careers, we're all getting older. Before, we all played more. That I can deal with."

The second change was the economic recession, which still has a profound lingering effect on Oregon. "Oregon is a late state to recover," King said. "People just don't have a lot of money to spend.

"The third was the 0.08 law. It was totally devastating. We're off probably 40% from last year on hard liquor sales. They were 70% of our gross, and now liquor is 38% to 40%. We used to sell lots of liquor after 10 p.m., but now people think hard. They're concerned about driving."

Beer and wine sales have not changed much. What has gone up, he reported, echoing the national trend, is the sale of food, which now accounts for nearly 45% of his volume. The Quandary serves approximately 170 meals a day, mostly lunches from a tiny kitchen in the bar.

"The loss of liquor sales is significant to us," he added. So significant in fact, King said, that if he and Thomson had not saved money during the good years, they would not have stayed open last winter.

Third-party liability is also affecting King and other Oregon operators. Since 1970 businesses have been forbidden to serve alcohol to drunken customers. The law was tested in 1981 by the Pfeiffer case, in which the Copperstone Restaurant and Lounge Inc. was held liable in an auto accident that occurred after one of its bartenders served a drunken customer.

Since then, insurance rates have gone up in Oregon, particularly affecting businesses with more than 25% of volume coming from liquor sales. Last year, King and Thomson paid $5,000 for liability coverage. Many operators of bars and restaurants have found that their rates have increased anywhere from 100% to 1,000%.

"I have a problem with this," King said. "In this country, it seems that we wait until problems are serious, and then we impose extreme solutions. There have never been any sort of program to educate people on the abuse of alcohol. Kids need to be trained—graphically—in the kinds of things that can happen to them. I have four kids. I talk to them all the time about alcohol."

King's conclusion: "People are going to drink, but they'll be wiser drinkers because of the tougher laws. It's going to take a while—maybe a generation."

Unskilled waitress leaves bad taste in customer's mouth

Editor, *NRN*:

It was with great interest that I read your recent commentary, "Can You Top This for Restaurant Experiences?" I would like to share with you something that happened to me several years ago.

A rapidly emerging chain by the name of Hanover Trails was being put together. The planners intended to blanket America with approximately 100 of these gigantic, 450-seat dinnerhouses, fashioned after the Hilltop Steakhouse in Saugus, Mass.

I remember how clever they were in setting up a 450-seat restaurant and then refusing to put any desserts on the menu. The logic was that they wanted faster turns. Well, they truly anticipated 1,600 covers a night. Somehow it didn't work out that way.

Someone went to the local Woolworth's and hired the counter girls, who had been there for 30 or 40 years. Their training was conspicuously lacking. Upon my first visit, I read the menu and asked the waitress what the difference was between the New York Shell and New York Strip. The clever response was "One is a shell, and one is a strip."

I asked the weight of each, since there was a difference of $4 in price. She didn't know but would find out. She returned stating that one was 12 oz. and the other 16 oz. I ordered the 16-oz. cut. When the meal was finally ready, she literally threw the steak in front of me, saying, "There it is! Do you want to weigh it or eat it?"

I think that serves as a lesson to all of us in the restaurant business—where you never get a second chance to make a first impression. The staff was so poorly trained that the waitress did not know about the items on the menu. Of course, her charm was unsurpassed. I never went back there. Would you?

I'm sure there is still someone in Camden scratching his head, wondering what happened to the 1,600 covers.

—**Paul G. W. Fetscher**
president
Great American Brokerage Inc.
New York, N.Y.

Saga Corp. reorganizes

(Continued from page 1)

founded Spectrum in 1972, which Saga bought in December 1984.

In his new job, Mindel is responsible for guiding the 176 restaurants operated by Spectrum, Saga's hotel food-services division and three chains: Stuart Anderson's Black Angus/Cattle Company Restaurants, The Velvet Turtle Spoons Grill and Bar.

The reorganization engineered by Lynch divides the company's 11 divisions into three operating groups and an administrative group. In addition to the restaurant group, there is a contract food-services group, which consists of corporate, education, health care and Canadian divisions, and a fast-service restaurant group made up of the 147-unit Grandy's fried chicken and ribs chain and the 211-unit Straw Hat Pizza division.

Jeffrey O. Henley, 40, who had been an executive vice president and member in the office of the president since 1982, was named president of the new fast-service group. While with the office of the president, he had overseen Grandy's, Straw Hat, contract food services and three support functions.

Also part of the restructuring was the board of directors' election of James W. Morrell, 54, to the post of vice chairman of the administrative group. Making up the group are seven corporate departments: legal, finance, human resources, operational services, planning and development, information services and communications/investor relations.

Morrell had shared executive vice president duties with Henley in the office of the president and was responsible for Black Angus, the now-defunct specialty food-services group, Velvet Turtle, hotel food services, Spoons, operational services, human resources and planning.

Other personnel changes:

- Ralph A. Pica, formerly president of the Black Angus division, was appointed to a new position: assistant to the chairman.
- Fedele R. Bauccio was named president of Black Angus. He had been president of the specialty food-services group that consisted of Velvet Turtle, hotel food services and Spoons.
- Charles A. Frank, who had been executive vice president responsible for finance and operations at Spectrum, was named to succeed Mindel as president of that division.

In a related development, Robert C. Van Horn, who will continue to head the contract food-services group, and Mindel were elected corporate officers by the board.

Lynch, who was unavailable for comment at presstime, said in a written statement: "These changes are being effected in response to changes we see in the marketplace, to sharpen our focus on our businesses, to capitalize on opportunities we see in product merchandising and marketing to satisfy our customers and to implement our plans for future growth and improved profitability."

Earlier, Saga reported its profits for the fourth quarter of fiscal 1985, ended June 30, had plummeted 67%, to $2.1 million, and full-year earnings fell to $29.1 million on revenues of $1.25 billion.

Gene Elsbree, vice president of corporate communications/investor relations, said the reorganization and personnel changes were just one of three major steps taken by Saga to improve its operating performance in fiscal 1986. It has also launched its "most aggressive, most ambitious new product development drive in years" and significantly increased advertising, promotional and marketing expenditures for all 11 divisions, he said.

Church's buys six chains

(Continued from page 3)

rants is already in place.

Bamberger said that more mergers would be made before the year ended.

All these moves, however, have been costly—shrinking the chain's once lofty $40 million-$50 million cash reserve to less than $10 million.

But some observers say Church's continues to have a healthy pretax cash flow. And, as Bamberger says, "Stockholders don't pay us to hold money, but to sell chicken."

Chicken chains purchased by Church's this year (and the number of units to be converted to Church's) include: Tinsley's Chicken 'N' Rolls, 45; Walker's Fried Chicken, four; Golden Fried Chicken, seven; Miss Bessie's, three; Casey Pritchet, three; and, most recently, Chicken Country, 33.

Church's first, and biggest, acquisition was in 1982, when it bought the 78-unit Houston-based Ron's Krispy Fried Chicken chain. That deal was significant because Church's had been shut out of the Houston market in the wake of a franchisee dispute and a court decision. The purchased restaurants have been operating since as Ron's Krispy.

But that is changing. Church's has bought the rights to use its own name in the expansive Houston market again. Within 45 days, all company-owned Ron's should be converted to Church's, Bamberger said, adding, "Let everybody fly the same flag."

Merger frenzy increases

(Continued from page 1)

Kentucky Fried Chicken, has just purchased Nabisco Brands for $4.9 billion.

These mergers are creating a new power lineup in which Philip Morris-General Foods would be the largest consumer products and food company, followed by Reynolds, P&G, Beatrice, Dart & Kraft and Nestle.

Among other giant powers on the food products and food-service supply side are H. J. Heinz, Campbell Soup, General Mills, Pillsbury, Quaker Oats, Hunt Wesson, Coca Cola and PepsiCo. (A full analysis of the growth and challenges facing these and other food-service division suppliers will appear in *Nation's Restaurant News* later this month.)

General Mills has spun off its toy and fashion apparel businesses to concentrate on food products and restaurant chains.

Hurricane hits Long Island

(Continued from page 2)

did not lose power, a crew member leaving at the end of a shift was heard to ask, "When do you need me back?" The manager's answer: "As soon as you can for as long as you can."

"It was interesting," said Bill Huber, owner of the 750-seat Bavarian Inn on Lake Ronkonkoma. When the power went out at 11 a.m. Friday Huber went into action, spinning his casual interest in electronics into a makeshift web of jury-rigged connections, low-voltage lines and loosely strung light bulbs throughout his entranceway, lobby and bathrooms.

"There was no food spoilage because our own generator kicked in right away to our two walk-in refrigerators and walk-in freezer," he recalled. "I rigged my own string of emergency lights in series, like a Christmas tree, only I used 25- and 40-watt bulbs. Later I was able to tap my dining room and two banquet rooms into the generator too." Huber also used his freezers to store food for other local restaurants.

While structural damage like lost roof shingles and water damage to the parking lot were minimal, Huber figures his 46-year-old restaurant lost at least $30,000 in gross sales during the down time. "We had two weddings Saturday and two Sunday. We were able to do them, but we had no à la carte." The restaurant averages about $2.5 million in sales per year.

"People *do* understand," Huber added. "They have been very sympathetic and understanding."

At La Mascotte restaurant in Commack, "We didn't really lose any food at all," according to owner André Guillet, 43. La Mascotte, chosen as Restaurant of the Year for 1985 by the Long Island Chapter of the New York State Restaurant Association, was forced to close that Friday due to the loss of electricity. Guillet estimated the loss at about $4,000. "Saturday was lighter than usual," he said, "but we survived. The 55-seat restaurant operated on half-power Saturday, without air-conditioning and with candles to replace much of the regular lighting."

The Maine Maid Inn in Jericho was hit "pretty hard," according to manager Janey Schoomaker. Despite precautions like taking down awnings and tying down outdoor furniture, the restaurant was still forced to close that Friday due to the loss of power. "We lost a party of more than a hundred as well as about 200 regular à la carte people," Schoomaker said. A wedding party for 130 planned for the following day did go on as scheduled.

The restaurant, Long Island's oldest, was fortunate in being located along the Jericho Turnpike—it could draw power from either two lines, one of which was given priority because it supplied a local hospital. Deliveries could not get through, but physical damage was minimal.

Dole dodges NRA over tax

(Continued from page 1)

cember.

Later, industry observers here expressed doubt that any tax bill could pass in the 1986 Congressional election year either and that 1987 would be the year. Still, a number of the conference participants expressed bewilderment over Dole's stance.

"His friendly repartee will help him greatly in his Presidential bid," noted one NRA staffer, "but we are all wondering whether Senator Dole perhaps will see our point of view on the meal tax disallowance plans, since he was primarily responsible for forcing the tip credit reporting provisions on us."

Dole's answers to other questions indicate, however, that he is standing firm on his principles. "We must be willing to make the hard choices on the deficit," he declared. "We don't need more taxes in America. We need to eliminate all the inefficiencies and excessive spending."

Clucker's opens in Chicago

(Continued from page 2)

"I wanted an affordable restaurant where people could come in once a week," the owner said. "I wanted everything under $11.95 for a full meal."

Clucker's is scheduled to open for lunch later this fall. For now, hours are 4 to 11 p.m., Sunday through Thursday, and 4 p.m. to 1 a.m., Friday and Saturday.

"I want to bring people in late at night for dessert," Merdinger said. "We have a variety of desserts because that helps build check averages."

In addition to cheese cake, Louisiana bread pudding, fresh strawberries with praline custard and chocolate chickory cake, Clucker's has a do-it-yourself custard bar.

Two dining rooms seat about 100, and the bar seats another 30. Carryout also is available.

Instead of buying media advertising to announce the opening, Merdinger hired people to wear chicken costumes and hand out $1-off coupons, or "Cluck Bucks," on Clark Street in front of the restaurant, a busy pedestrian thoroughfare. Large crowds arrived on opening nights, Merdinger said.

He plans to keep a close eye on how various menu items are selling. In case the current enthusiasm for Cajun dishes wears off, he is prepared to try alternatives.

Officials reject labeling plan

(Continued from page 2)

At the conference, NRA officials told food-service executives that the center petitions are likely to be rejected by both government agencies within 30 to 60 days.

"I just don't see how we could respond positively to the petition," Miller said, adding more fuel to the speculation that the center's request will be rejected soon.

The FDA representative's remarks came during his participating in a blue ribbon panel discussion of federal regulatory issues at the NRA conference. Also participating on the panel were Linda Chavez, deputy assistant to the president for public liaison; Susan Meisinger, deputy undersecretary for employment standards, Department of Labor; and moderator William P. Fisher, NRA executive vice president.

The Labor Department spokesmen said that the department is "sensitive" to the food-service industry's request for revised regulations concerning the exemption for executive administrative and professional employees.

"We're looking at publishing an advanced notice of proposed rule making, listing a series of questions to gather information. We're going to be trying to solicit information from the industry," Meisinger said.

The NRA has repeatedly urged the Labor Department to adapt its often inflexible definitions for "executive" employees to the "real world" of the working supervisor and the hand-on executive.

Meisinger said the federal labor regulators have "open minds on the whole issue and strongly encourage the restaurant industry to participate" by sending letters to the department.

NRN Index climbs 2.2 to 122.8 after five straight losses

NEW YORK — The *Nation's Restaurant News* Food-Service Operators Index, which skidded through September, registered a 2.2-point gain in the first week of October, closing at 122.8 on Oct. 4.

It was the 94-issue Index's first weekly gain since Aug. 23, but still a far cry from the record high of 134.7 set on July 19.

On the full, 117-stock listing, price-change losers beat out winners, 52 to 45, with 17 unchanged.

The Dow Jones Industrials Index gave up most of the gains it made earlier in the same week, but still managed to close up 7.95 points, to 1328.74 in, a market moved mainly by takeover news.

Ponderosa Inc., still buoyed by USACafes Inc.'s offer of $16 per share, led the volume surgers' list with 1.3 million shares trading hands, more than 300% heavier than its 12-week norm. The stock was up 88¢, to $14.88. USACafes was down 13¢, to $5.38.

Nankin Express led the percentage-price losers' list, off 25¢, to 13¢, a new 52-week low, on news franchisee International Multifoods had closed two of its three outlets.

Maverick Restaurants gained 25¢, to $1.75, after it sent a special letter to shareholders assuring them "that we are financially healthy."

Among the restaurant blue chips: Carrols Corp. gained 50¢, to $7.13. Church's, up 13¢, to $14.88. Collins, off 50¢, to $13.38. El Torito, off $1, to $12.23. Luby's, up 38¢, to $33.75. Marriott, up 75¢, to $90. McDonald's, up 38¢, to $64.75. Saga, off $1.38, to $22.25. T.G.I. Friday's, down 13¢, to $8.50. Transworld, up $1.88, to $38.38. Wendy's, down 25¢, to $15.13.

Calibre Corp. led the price-winners' tally, up 75¢, to $2.13. Penny-stocks Stuff Yer Face, Peoples Restaurants and Chefs International followed.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Ponderosa Sys ....N	309.0	Swensens Inc ....O	194.7
Calibre Cp ....M	250.0	Holiday Cp ....N	190.4
Gen Mills ....N	243.8	El Torito Rest ....N	184.8
Acapulco Rests ....M	241.7	Chili's Inc ....M	173.9
TGIF Texas ....O	222.2	Horn & Hardart ....A	160.6

TOP TEN GAINERS

(Weekly Price Change, in %)

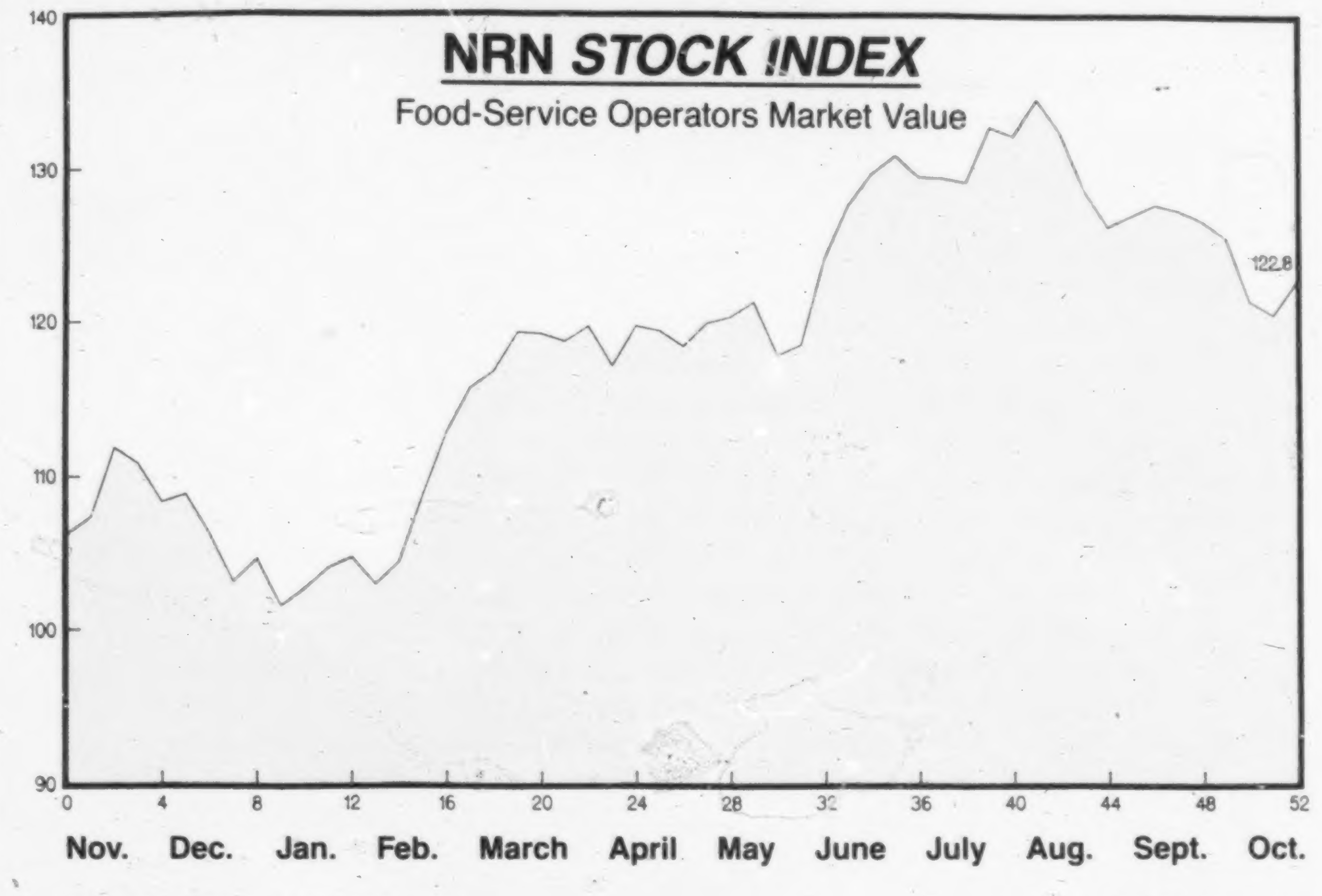
Calibre Cp ....M	54.5	Maverick Rest ....M	16.7
Stuff Yer Face ....O	40.0	Concept Dev ....M	15.6
Peo Restaurants ....M	33.3	Fast Food Oper ....O	12.5
Chefs Intl ....O	28.6	1 Potato 2 ....O	12.5
Assoc Hosts ....M	19.3	Intl Dairy Queen ....O	11.8

TOP TEN LOSERS

(Weekly Price Change, in %)

Nankin Express ....O	- 66.7	Sizzler Rest Intl ....M	- 13.6
Mr Steak ....O	- 20.0	Consul Restaurant ....M	- 13.6
Capt Crab ....M	- 19.0	Winners Cp ....N	- 13.5
Victoria Stations ....M	- 18.8	Flakey Jakes ....M	- 12.5
Brock Hotel Cp ....N	- 16.7	Chili's Inc ....M	- 12.1

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	10-04-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ....M	7.25	- .13	- 1.7	8.00	6.88	8.00	3.50	865	2.43	.95	155.8	12.7	.00	.0		9 mos.	09-85	16.3	101.2	1.2	200.0	.33	200.0	33.5	51.6	2.0	81.8	.55	83.3
Acapulco Rests ....M	4.25	- .13	- 2.9	4.63	4.25	5.38	3.50	406	1.64	.48	241.7	18.5	.00	.0	—	9 mos.	07-85	11.3	- 40.5	.3	NC	.11	1000.0	31.2	10.2	.3	.0	.12	- 14.3
Am Restaurants ....M	3.50	.13	3.7	3.88	3.50	4.75	2.38	72	.31	.33	- 6.1	50.0	.00	.0	—	6 mos.	07-85	5.7	26.7	.1	.0	.05	66.7	10.4	15.6	.1	- 50.0	.04	- 60.0
Assoc Hosts ....M	13.13	2.13	19.3	13.25	10.88	16.75	10.75	2,007	4.53	3.57	26.9	20.8	.12	.9	—	9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl ....M	14.00	- .38	- 2.6	14.13	13.75	21.75	12.38	362	1.22	3.75	- 67.5	11.8	.00	.0	—	3 mos.	06-85	28.1	100.7	1.1	57.1	.36	50.0	28.1	100.7	1.1	57.1	.36	50.0
Bob Evans Farms ....M	20.00	.50	2.6	20.00	19.25	22.75	15.69	739	.41	.89	- 53.9	19.2	.27	1.4	—	3 mos.	07-85	61.9	14.6	5.0	13.6	.28	12.0	61.9	14.6	5.0	13.6	.28	12.0
Calibre Cp ....M	2.13	.75	54.5	2.13	1.50	4.63	.63	466	1.54	.44	250.0	NE	.00	.0	—	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ....M	12.75	.50	4.1	13.25	11.88	15.13	8.13	1,916	4.24	5.00	- 15.2	17.7	.16	1.3	—	6 mos.	08-85	16.6	27.7	.7	40.0	.16	33.3	30.2	20.8	1.6	14.3	.35	12.9
Capt Crab ....M	1.06	- .25	- 19.0	1.38	0.88	2.63	1.00	2,504	1.63	.81	101.2	NE	.00	.0	—	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp ....N	7.13	.50	7.5	7.25	6.63	11.50	6.50	421	.54	.61	- 11.5	11.3	.07	1.0		3 mos.	08-85	39.8	4.7	1.5	- 28.6	.20	- 28.6	39.8	4.7	1.5	- 28.6	.20	- 28.6
Chefs Intl ....O	.56	.13	28.6	0.63	0.56	.88	.38	979	.51	.52	- 1.9	NE	.00	.0	—	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's ....M	10.00	- .13	- 1.2	10.25	9.88	15.13	9.38	4,019	1.49	2.93	- 49.1	17.9	.00	.0	—	3 mos.	07-85	66.6	42.9	4.5	- 10.0	.17	- 10.5	66.6	42.9	4.5	- 10.0	.17	- 10.5
Chili's Inc ....M	21.88	- 3.00	- 12.1	24.88	20.75	28.88	19.00	6,360	13.67	4.99	173.9	24.9	.00	.0	—	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch ....N	14.88	.13	.8	15.13	14.38	20.25	13.31	5,869	1.56	3.30	- 52.7	12.9	.44	3.0		9 mos.	09-85	136.3	10.3	9.9	- 4.8	.26	- 7.1	389.3	11.0	29.0	3.2	.77	2.7
Collins Foods ....N	13.38	- .50	- 3.6	14.00	12.63	16.69	9.09	2,162	1.10	.88	25.0	15.4	.12	.9	—	3 mos.	07-85	136.4	18.6	5.6	16.7	.19	- 20.8	136.4	18.6	5.6	16.7	.19	- 20.8
Concept Dev ....M	9.25	1.25	15.6	9.75	7.75	16.75	5.75	1,408	2.72	2.52	7.9	NE	.00a	.0	—	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.6	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts ....M	3.38	.13	3.8	3.38	3.25	5.38	3.13	126	.38	.45	- 15.6	15.3	.08	2.4	—	9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant ....M	2.38	- .38	- 13.6	2.75	2.13	7.88	2.13	2,019	4.44	1.99	123.1	NE	.00	.0	—	3 mos.	08-85	21.9	3.8	.1	NC	.02	100.0	21.9	3.8	.1	NC	.02	100.0
Cracker Barrel ....M	10.75	- .38	- 3.4	11.75	10.75	17.75	10.25	1,720	4.83	2.14	125.7	15.1	.14	1.3	—	fiscal	07-85	20.7	19.7	1.5	15.4	.45	- 2.2	67.5	18.6	2.4	- 11.1	.71	- 27.6
Cucos Inc ....O	7.00	.00	.0	7.50	7.00	7.00	2.75	91	.52	.81	- 35.8	43.8	.00	.0	—	fiscal	06-85	1.8	100.0	.1	NC	.05	66.7	6.6	106.3	.3	50.0	.16	23.1
DLites Of Amer ....M	6.63	.00	.0	6.88	6.38	15.50	6.38	1,901	3.74	3.35	11.6	39.0	.00	.0	—	3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts ....M	23.25	1.25	5.7	23.50	22.00	25.38	14.84	1,857	2.58	1.69	52.7	16.6	.24	1.0	—	9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico ....M	9.25	- .25	- 2.6	9.50	9.13	12.50	7.25	522	1.12	1.74	- 35.6	10.6	.00	.0	—	3 mos.	08-85	21.9	3.8	1.0	11.1	.22	10.0	21.9	3.8	1.0	11.1	.22	10.0
El Pollo Asa ....O	4.75	.00	.0	4.88	4.75	6.34	1.84	451	2.67	3.60	- 25.8	NE	.00	.0	—	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest ....N	12.13	- 1.00	- 7.6	13.38	11.63	19.25	10.63	3,941	3.56	1.25	184.8	11.2	.00	.0	—	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest ....M	1.75	- .13	- 6.7	1.88	1.63	3.88	1.63	833	1.39	1.13	23.0	NE	.00	.0	—	6 mos.	06-85	12.3	- 2.4	(.1)	- 100.0	(.02)	- 100.0	28.6	- 3.7	.3	NC	.05	NC
Fast Food Oper ....O	.56	.06	12.5	0.75	0.56	1.31	.50	122	.21	.36	- 41.7	28.1	.00	.0	—	6 mos.	06-85	1.9	- 9.5	.1	.0	.01	- 50.0	3.7	- 2.6	.1	.0	.01	- 50.0
Flakey Jakes ....M	2.63	- .38	- 12.5	2.88	2.63	8.25	2.38	1,479	2.13	3.34	- 36.2	NE	.00	.0	—	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest ....O	1.50	.00	.0	2.50	1.50	7.38	1.50	0	.00	.12	-100.0	NE	.00	.0		6 mos.	06-85	2.2	37.5	.0	NE	.01	NE	3.9	56.0	(.3)	NE	(.17)	NE
Frisch's ....A	21.75	- .38	- 1.7	22.38	21.75	26.00	14.50	24	.05	.16	- 68.8	18.9	.22	1.0	—	fiscal	05-85	30.5	- 5.9	1.7	- 10.5	.39	- 7.1	127.3	2.7	5.0	2.0	1.15	3.6
Fuddruckers Inc ....M	6.38	- .25	- 3.8	6.75	6.13	14.50	6.00	2,244	3.32	2.77	19.9	37.5	.00	.0	—	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco ....O	.31	.00	.0	0.38	0.31	2.75	.25	241	.81	.70	15.7	NE	.00	.0	—	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet ....O	14.75	.00	.0	15.50	14.75	15.25	10.50	0	.00	.39	-100.0	7.6	.00	.0		3 mos.	06-85	9.4	- 2.1	.4	.0	.58	.0	9.4	- 2.1	.4	.0	.58	.0
Hungry Tiger ....M	5.63	- .13	- 2.2	5.75	5.50	6.25	3.63	257	.88	2.16	- 59.3	NE	.00	.0	—	9 mos.	05-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen ....O	71.00	7.50	11.8	74.00	64.00	71.00	39.50	50	.25	.15	66.7	17.4	.00	.0	—	6 mos.	05-85	48.4	27.7	3.1	- 90.5	1.54	40.0	75.6	15.1	3.9	- 88.3	1.92	35.2
Intl King Tab ....M	17.50	.25	1.4	18.25	17.25	24.75	14.88	965	3.36	2.09	60.8	11.5	.00a	.0	—	fiscal	06-85	19.0	1.1	1.2	20.0	.41	41.4	80.7	3.2	4.5	18.4	1.52	19.7
JB Restaurant ....M	10.63	- .88	- 7.6	11.63	10.63	15.50	9.16	909	1.97	3.07	- 35.8	14.0	.16	1.5	—	9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc ....M	21.13	.00	.0	21.38	21.00	23.25	14.25	3,821	2.41	4.67	- 48.4	15.0	.12	.6		fiscal	06-85	128.1	1.2	7.6	10.1	.48	11.6	505.7	4.5	22.3	9.3	1.41	9.3
Kapok Cp ....A	3.50	.00	.0	3.50	3.38	4.38	1.13	87	.36	.81	- 55.6	2.1	.00	.0	—	9 mos.	06-85	3.8	- 40.6	1.1	NE	.40	NE	14.6	- 15.6	4.9	NE	2.01	NE
Karcher Carl ....M	16.25	.13	.8	16.38	15.88	23.75	13.50	989	1.40	1.24	12.9	14.6	.00	.0	—	3 mos.	04-85	95.5	- 2.7	.8	- 82.2	.11	- 82.8	95.5	- 2.7	.8	- 82.2	.11	- 82.8
Lifestyle Rest ....A	1.75	.00	.0	1.75	1.63	3.13	1.50	136	.24	.36	- 33.3	NE	.00	.0		9 mos.	07-85	18.1	- 4.7	(.6)	NE	(.12)	NE	59.8	- 9.7	(4.8)	NE	(.85)	NE
Luby's Cafe ....N	33.75	.38	1.1	34.50	33.38	37.38	26.38	186	.15	.30	- 50.0	21.8	.60	1.8	—	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp ....M	17.50	.00	.0	17.75	17.50	19.38	13.88	28	.06	.22	- 72.7	10.5	.30	1.7	—	3 mos.	08-85	36.1	7.8	3.2	14.3	.62	12.7	36.1	7.8	3.2	14.3	.62	12.7
Marriott Corp ....N	90.00	.75	.8	91.88	88.25	100.00	70.00	2,270	.87	.59	47.5	15.2	.54	.6		9 mos.	09-85	969.0	16.2	44.8	17.0	1.67	16.8	2845.5	18.4	115.6	20.4	4.30	21.5
Maverick Rest ....M	1.75	.25	16.7	1.75	1.50	6.00	1.50	34	.07	.20	- 65.0	NE	.00	.0	—	6 mos.	07-85	3.3	13.8	(.1)	- 100.0	(.02)	- 100.0	6.4	20.8	(.1)	- 100.0	(.02)	- 100.0
Max & Erma's ....O	2.25	.00	.0	2.50	2.25	4.75	2.25	16	.09	.13	- 30.8	NE	.00	.0	—	9 mos.	07-85	4.0	- 9.1	(.2)	NE	(.12)	NE	12.6	- 4.5	(.1)	NE	(.07)	NE
McDonald's Cp ....N	64.75	.38	.6	65.63	64.25	70.00	49.38	7,862	.92	1.07	- 14.0	14.0	.90	1.4	—	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures ....M	10.00	.00	.0	10.38	10.00	11.88	9.75	40	.07	.48	- 85.4	11.9	.00	.0		9 mos.	08-85	18.3	67.9	1.3	30.0	.23	15.0	48.1	55.7	3.9	50.0	.78	44.4
Morrison Inc ....M	18.00	- .75	- 4.0	19.25	17.75	21.88	15.50	1,168	.85	1.01	- 15.8	13.7	.48	2.7		3 mos.	08-85	128.8	9.2	4.9	6.5	.36	5.9	129.8	9.2	4.9	6.5	.36	5.9
Mr Steak ....O	1.00	- .25	- 20.0	1.25	1.00	3.13	1.00	657	1.37	.76	80.3	NE	.00	.0	—	9 mos.	06-85	7.0	- 59.1	(.5)	NE	(.11)	NE	21.8	- 56.2	(.6)	NE	(.14)	NE
Nankin Express ....O	.13	- .25	- 66.7	0.38	0.13	2.38	.13	434	1.93	.91	112.1	NE	.00	.0	—	6 mos.	07-85	.4	100.0	(.6)	NE	(.26)	NE	.7	75.0	(.9)	NE	(.39)	NE
Nathans ....M	3.88	.25	6.9	3.88	3.75	4.50	2.00	163	.73	.87	- 16.1	11.1	.05	1.3	—	3 mos.	06-85	6.6	8.2	.5	25.0	.21	16.7	6.6	8.2	.5	25.0	.21	16.7
Natl Pizza ....M	11.75	.25	2.2	11.88	11.75	12.88	7.50	932	1.68	.78	115.4	15.9	.00	.0	—	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc ....M	2.75	.25	10.0	2.75	2.50	9.25	2.25	406	.92	3.48	- 73.6	NE	.00	.0	—	fiscal	06-85	30.8	13.2	(7.5)	- 100.0	(1.68)	- 100.0	124.1	8.1	(9.2)	NE	(2.06)	NE
Noble Roman ....O	6.75	- .25	- 3.6	7.50	6.75	8.50	6.19	5	.04	.30	- 86.7	56.3	.00	.0	—	6 mos.	06-85	5.5	25.0	(.1)	- 100.0	(.02)	- 100.0	10.2	14.6	(.2)	- 100.0	(.13)	- 100.0
1 Potato 2 ....O	.56	.06	12.5	0.88	0.50	5.00	.50	66	.30	.47	- 36.2	NE	.00	.0	—	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd ....M	4.50	.25	5.9	4.50	4.25	5.25	4.00	• 45	.32	1.04	- 69.2	7.1	.00	.0	—	fiscal	05-85	3.8	11.8	.4	300.0	.29	123.1	14.1	24.8	.9	28.6	.63	10.5
Pancho Mex Buffet ....M	7.25	- .13	- 1.7	7.50	7.13	8.38	6.00	1,073	2.89	2.18	32.6	12.9	.13	1.8	—	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants ....M	.13	.03	33.3	0.16	0.13	1.50	.09	1,302	1.51	.86	75.6	NE	.00	.0	—	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ....M	22.00	- .50	- 2.2	22.63	22.00	24.13	16.50	119	.20	.87	- 77.0	13.9	.60	2.7	—	fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn ....A	7.50	- .25	- 3.2	8.00	7.25	10.25	6.88	220	.73	.69	5.8	NM	.08	1.1	—	6 mos.	06-85	50.6	4.1	.3	- 72.7	.10	- 71.4	98.3	13.0	.4	- 78.9	.14	- 77.0
Po-Folks ....M	11.75	.13	1.1	12.00	11.50	14.75	8.75	278	.63	.92	- 31.5	15.3	.00	.0	—	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.5	.54	3.8
Ponderosa Sys ....N	14.88	.88	6.3	15.50	13.75	18.00	10.50	13,104	13.62	3.33	309.0	NM	.40	2.7	—	6 mos.	08-85	117.7	- 6.1	1.5	- 68.1	.16	- 68.6	234.9	- 3.7	2.3	- 75.0	.24	- 77.4

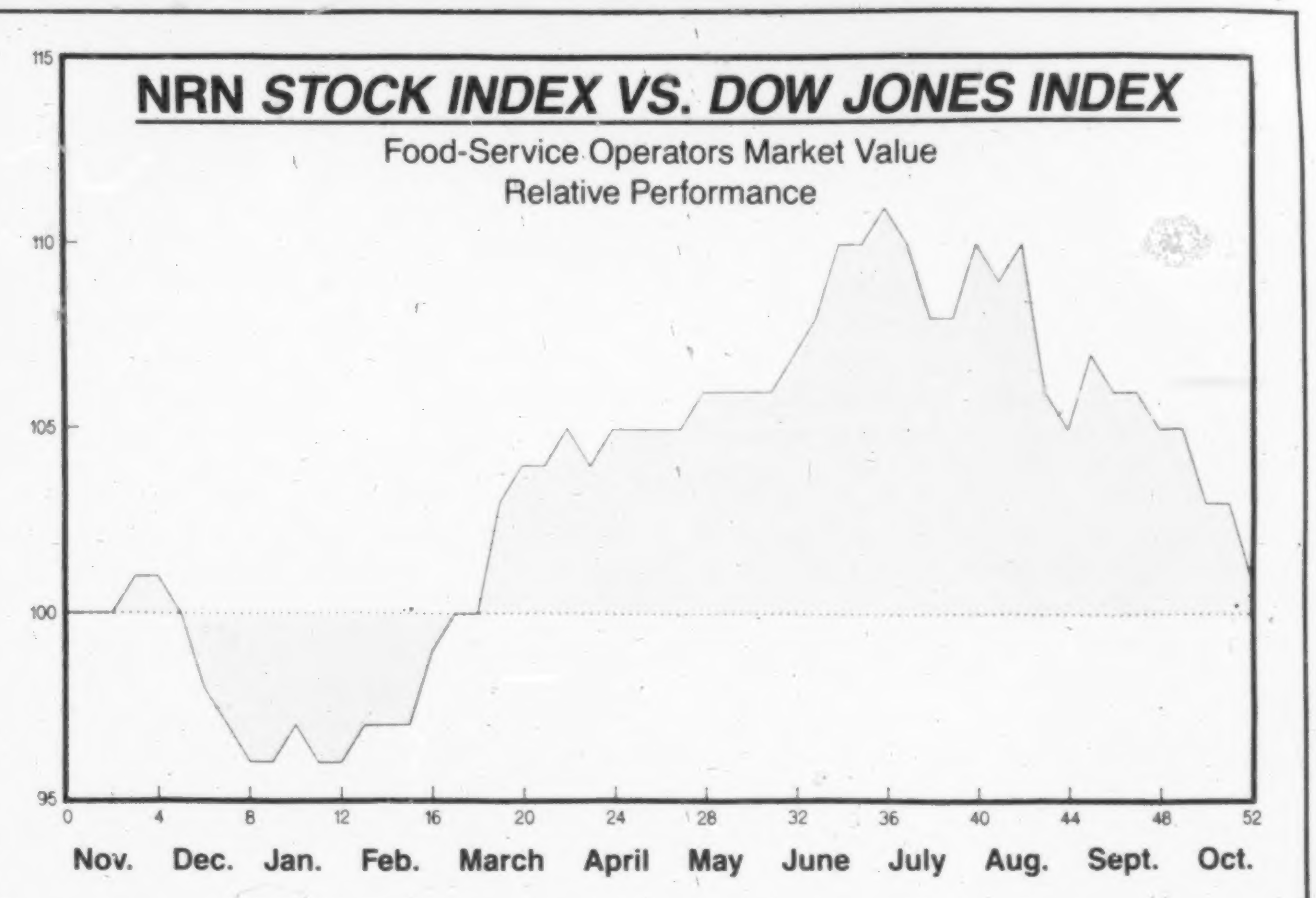


NRN STOCK INDEX

Food-Service Operators Market Value

Source: Media General Financial Services

Oct. 28, 1983 = 100



NRN STOCK INDEX VS. DOW JONES INDEX

Food-Service Operators Market Value
Relative Performance

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	10-04-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Primo Inc .... O	1.75	.00	.0	2.00	1.75	4.63	1.50	30	.09	.54	- 83.3	NM	.00	.0	.....	9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants .... M	6.00	.00	.0	6.25	5.75	13.75	5.75	716	1.04	.79	31.6	NC	.00	.0	.....			NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc .... A	4.75	- .25	- 5.0	5.00	4.75	6.59	3.84	71	.18	.83	- 78.3	14.4	.10	2.1	.....	6 mos.	06-85	35.8	9.1	.6	.0	.18	20.0	69.0	9.9	.3	- 50.0	.09	- 40.0
Rest Mgmt .... M	12.00	- 1.00	- 7.7	13.00	11.75	15.00	6.75	416	1.96	1.67	17.4	17.1	.09	.8	.....	9 mos.	07-85	8.5	28.8	.5	25.0	.15	- 11.8	26.7	34.8	1.5	36.4	.54	10.2
Rest Systems .... M	17.13	.25	1.5	17.38	16.63	17.13	11.75	626	2.70	1.94	39.2	18.6	.00	.0	.....	6 mos.	06-85	9.6	18.5	.6	20.0	.23	4.5	20.1	8.6	1.1	10.0	.46	7.0
Ritzys G D .... M	2.13	.13	6.3	2.38	2.00	4.38	1.75	914	1.76	.87	102.3	NE	.00	.0	.....	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican .... M	13.75	- .75	- 5.2	14.50	13.25	18.25	11.00	1,002	3.55	1.57	126.1	16.0	.00	.0	.....	fiscal	07-85	19.2	61.3	1.2	71.4	.44	37.5	53.7	47.1	2.3	27.8	.86	1.2
Ryan's Fam .... M	15.75	.25	1.6	16.00	15.25	19.25	11.34	2,426	3.49	1.83	90.7	25.8	.00	.0	.....	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp .... N	22.25	- 1.38	- 5.8	23.38	22.00	35.00	22.00	3,233	2.47	1.60	54.4	10.2	.52	2.3	.....	fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef .... M	7.63	.00	.0	8.00	7.63	8.88	6.88	3	.02	.26	- 92.3	13.4	.00	.0	.....	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley .... M	4.25	- .38	- 8.1	4.25	4.00	9.50	4.13	650	2.05	3.95	- 48.1	2.3	.00	.0	.....	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc .... M	26.00	- .13	- .5	26.50	25.75	31.88	21.94	2,818	.99	1.50	- 34.0	20.8	.15	.6	.....	9 mos.	07-85	134.2	13.9	10.4	26.8	.36	20.0	413.8	14.9	27.6	26.0	.96	20.0
Shoney's South .... M	11.25	- .38	- 3.2	11.88	11.25	16.00	10.00	234	.42	1.67	- 74.9	10.4	.00	.0	.....	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	- 25.0	.51	- 25.0
SIS Cp .... M	4.75	- .25	- 5.0	5.50	4.75	6.00	3.25	89	.57	.62	- 8.1	NE	.00	.0	.....	6 mos.	06-85	3.4	61.9	.0	- 100.0	.03	- 25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl .... M	12.75	- 2.00	- 13.6	14.75	12.75	17.75	9.16	533	.52	.73	- 28.8	12.5	.00	.0	.....	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers .... M	9.88	- .38	- 3.7	10.13	9.50	12.50	8.75	630	2.31	2.14	7.9	10.7	.08	.8	.....	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality .... M	4.50	- .13	- 2.7	4.63	4.50	5.88	4.00	796	1.60	2.01	- 20.4	10.7	.00	.0	.....	3 mos.	08-85	12.2	14.0	.7	75.0	.15	87.5	12.2	14.0	.7	75.0	.15	87.5
Stuff Yer Face .... O	.44	.13	40.0	0.50	0.44	1.44	.31	585	.39	.42	- 7.1	NE	.00	.0	.....	3 mos.	06-85	.8	60.0	(.1)	NE	(.01)	NE	.8	60.0	(.1)	NE	(.01)	NE
Swensens Inc .... O	1.50	- .13	- 7.7	1.75	1.38	3.13	1.38	302	.56	.19	194.7	NE	.00	.0	.....	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa .... O	4.50	.00	.0	5.00	4.50	7.75	4.50	100	.12	.12	.0	23.7	.00	.0	.....	6 mos.	06-85	18.9	166.2	.5	66.7	.06	- 14.3	34.1	138.5	.3	- 50.0	.04	- 73.3
Taco Viva .... M	3.75	- .25	- 6.3	4.25	3.75	7.50	3.75	125	.36	.67	- 46.3	11.0	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's .... N	8.50	- .13	- 1.4	8.88	8.50	12.38	7.88	611	.53	.58	- 8.6	12.3	.00	.0	.....	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas .... O	2.00	.00	.0	2.38	2.00	2.38	2.00	44	.29	.09	222.2	NE	.00	.0	.....	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs .... M	19.88	.38	1.9	20.00	18.63	23.75	4.09	2,166	4.97	4.61	7.8	55.2	.00	.0	.....	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld .... N	38.38	1.88	5.1	40.38	36.25	41.13	28.25	11,028	3.10	1.59	95.0	12.7	.48	1.3	.....	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	4.3	47.1	- 4.3	1.19	- 9.8
USACafes .... M	5.38	- .13	- 2.3	5.75	5.31	6.00	3.25	3,519	5.60	3.35	67.2	15.4	.28	5.2	.....	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants .... M	16.63	- .13	- .7	17.13	16.63	28.25	13.25	2,514	2.98	4.47	- 33.3	14.8	.12	.7	.....	9 mos.	07-85	93.9	39.3	3.1	14.8	.33	- 19.5	286.4	85.5	5.9	1.7	.67	- 23.0
Victoria Stations .... M	1.63	- .38	- 18.8	2.00	1.50	4.38	1.63	1,411	3.10	1.93	60.6	NE	.00	.0	.....	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl .... N	15.13	- .25	- 1.6	15.75	15.00	19.13	12.19	11,877	1.62	1.42	14.1	15.1	.21	1.4	.....	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer .... M	11.63	.13	1.1	12.00	11.50	14.00	9.00	42	.35	.49	- 28.6	14.4	.20	1.7	.....	6 mos.	08-85	11.8	14.6	.4	300.0	.27	285.7	23.2	17.2	.7	75.0	.54	63.6
Winners Cp .... N	5.63	- .88	- 13.5	6.50	5.50	8.75	5.13	260	.65	.96	- 32.3	NM	.00	.0	.....	6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp .... N	1.25	- .25	- 16.7	1.63	1.25	5.13	1.25	1,303	.92	.67	37.3	NE	.10	8.0	.....	6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels .... N	57.25	- 1.00	- 1.7	59.38	57.00	73.50	51.25	1,103	.45	.82	- 45.1	12.1	1.80	3.1	.....	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp .... N	50.50	- .75	- 1.5	53.50	50.00	58.13	35.50	14,874	5.46	1.88	190.4	12.0	1.00	2.0	.....	6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn .... N	32.25	- 3.00	- 8.5	35.38	32.00	36.75	16.13	1,471	.76	1.23	- 38.2	25.2	.09	.3	.....	fiscal	06-85	126.9	474.2	7.7	67.4	.39	62.5	304.5	320.0	25.0	44.5	1.28	42.2
Ramada Inns .... N	7.75	- .25	- 3.1	8.13	7.50	9.50	5.13	9,969	2.68	3.57	- 24.9	55.4	.00	.0	.....	6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	- 1.3	1.0	25.0	.03	50.0
Servico Inc .... M	19.50	.25	1.3	20.00	19.25	21.38	13.44	89	.26	.26	.0	9.7	.00a	.0	.....	6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl .... M	23.00	.50	2.2	25.50	23.00	27.00	18.50	2	.01	.07	- 85.7	7.1	.40	1.7	.....	6 mos.	06-85	20.9	- 6.7	1.8	- 14.3	1.65	19.6	32.9	- 9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev .... M	16.63	- 1.25	- 7.0	17.38	16.50	22.63	15.50	1,000	1.66	1.81	- 8.3	1.6	.40	2.4	.....	3 mos.	06-85	225.3	88.9	69.9	3395.0	11.20	3400.0	225.3	88.9	69.9	3395.0	11.20	3400.0
Arden Intl .... O	2.88	.25	9.5	3.00	2.63	2.88	1.13	141	.60	.60	.0	NE	.00	.0		6 mos.	06-85	1.4	- 58.8	.0	NE	.01	NE	4.9	- 22.2	(.1)	NE	(.03)	NE
Ch Full O Nut .... N	8.63	.38	4.5	9.00	8.13	11.41	7.03	396	.81	.61	32.8	NM	.00a	.0	.....	fiscal	07-85	30.7	.7	(.4)	NE	(.08)	NE	117.8	.3	.0	- 100.0	.01	- 93.8
Disney, Walt .... N	85.50	1.25	1.5	87.38	82.88	95.00	54.50	2,947	.89	1.43	- 37.8	48.3	1.20	1.4	.....	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills .... N	63.00	2.38	3.9	65.25	60.75	65.25	47.75	21,990	4.95	1.44	243.8	38.7	2.24	3.6	.....	fiscal	05-85	984.6	- 27.7	(108.5)	- 100.0	.84	- 6.7	4285.2	- 23.5	(72.9)	- 100.0	1.63	- 67.3
Grace W R .... N	38.88	- .88	- 2.2	40.38	38.63	45.00	38.50	3,380	.70	.85	- 17.6	11.3	2.80	7.2	.....	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart .... A	6.63	- .75	- 10.2	7.50	6.50	12.00	6.50	3,159	2.53	.99	160.6	NM	.00a	.0	.....	6 mos.	06-85	91.3	- 2.6	(1.7)	- 100.0	(.15)	- 100.0	173.6	- 3.6	(1.7)	- 100.0	(.16)	- 100.0
Ogden Corp .... N	30.25	.38	1.3	30.50	29.63	34.25	24.38	1,010	.53	.97	45.4	17.4	1.80	6.0	.....	6 mos.	06-85	NC	NC	5.4	- 53.0	.27	- 55.0	502.3	- 53.8	17.4	- 25.0	.90	- 25.6
PepsiCo Inc .... N	59.63	.25	.4	61.75	59.00	61.75	39.88	11,733	1.25	1.29	- 3.1	10.8	1.78	3.0	.....	6 mos.	06-85	1880.8	- .3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co .... N	60.00	1.13	1.9	61.75	56.75	63.50	38.63	15,080	3.48	1.54	126.0	13.6	1.72	2.9	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	1.09	.9	4670.6	11.9	191.8	13.0	4.42	13.0
Restec .... O	3.50	.00	.0	4.25	3.50	4.50	3.50	1	.01	.04	- 75.0	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Reynolds, RJ .... N	26.38	.38	1.4	27.38	26.00	35.00	25.50	26,207	1.03	1.02	1.0	8.2	1.40	5.3	.....	6 mos.	06-85	3404.0	31.0	228.0	- 14.3	.86	- 3.4	6302.0	34.4	410.0	- 5.1	1.52	7.0
Vie de France .... M	8.88	- .25	- 2.7	9.50	8.88	14.13	8.13	263	.24	.70	- 65.7	17.1	.23	2.6	.....	fiscal	06-85	14.6	- 2.0	1.1	- 38.9	.10	- 41.2	63.1	14.3	5.6	- 5.1	.52	- 10.3

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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NEWSPAPER

Philly's Poses back to basics

Headliner profile/Page F3

Thompson fights City Hall and wins

Beating the ban/Page 3

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MS. JEANNE LONG
CONGRESSIONAL INFO. SERV 1MD
4520 EAST-WEST HIGHWAY
BETHESDA MD 20814

Schoner's Promo report/Page 41

Nation's
Restaurant News®

The Weekly Newspaper of the Food-Service Industry

Vol. 19, No. 43 — Published every Monday by Lebhar-Friedman Inc.; $1 a copy, $18 a year — October 21, 1985

Campbell shakes up BK's marketing division

HIGHLIGHTS OF BURGER KING'S IMAGE ENHANCEMENT PROGRAM

BURGER KING

Burger King's [illegible] ement program will spruce up the lo[illegible] amenities and vastly improve serv[illegible] ude:

- Self-serve soft drink counters that offer free refills
- Removal of p[illegible] in favor of classier wooden furniture and [illegible]
- Installment of [illegible] for speedier service
- Replacing the multiple-line service system with a single line feeding into a bank of cash registers
- The use of hand-held POS units to take orders on line

'Battle of the Burgers' approach softened

By David Zuckerman

MIAMI — Distressed by the reformulated Whopper's lukewarm reception and a general lack of excitement on the marketing front, Burger King chairman and chief executive J. Jeffrey Campbell is pushing ahead with a new marketing strategy aimed at refocusing public attention on the 4,600-unit chain.

He has already made a key personnel change by reassigning Donald Dempsey—formerly executive vice president of marketing—to an operations training post. Day-to-day marketing chores have been passed to Burger King president Jay O. Darling, at least until a new marketing chief can be found, a company spokesman said.

What Campbell appears to be seeking is a new way to set the chain apart from the competition, as when Burger King jolted the fast-food burger segment three years ago with its gutsy "Battle of the Burgers" marketing campaign.

This time, however, the comparative advertising approach will likely take a backseat to a more image-oriented campaign. As Campbell sees it, the tide of the fast-food burger segment has shifted away from a straight competition over who has the biggest or best-tasting ham-

(See CAMPBELL, page 161)

Packwood dismisses industry concerns over deduction cap

By Ken Rankin

WASHINGTON — Food-service industry hopes for Congressional action to preserve business meal deductions have dimmed as Senate Finance Committee chairman Robert Packwood (R-Ore.) turned a deaf ear to tax reform concerns raised by restaurant lobbyists.

After listening impassively to warnings that pending Reagan administration meal deduction caps would have a catastropic impact on food service, Packwood told restaurant industry and union leaders that neither he nor the "American public" is sympathetic to their arguments.

Packwood's blunt rebuff—his first public statement on the business meal deduction issue—came in response to testimony earlier this month by executives from the National Restaurant Association, the Hotel Employees and Restaurant Employees International Union (HEREIU), the American Hotel and Motel Association and other critics of the administration's plan to limit business meal write-offs.

(See PACKWOOD, page 122)

NRN Photo

Testifying at committee hearing, from left: NRA executive vice president William Fisher, MainStreets Coalition chairman Moon Landrieu, AH&MA representative Alphonse Aslomone and HEREIU representative Robert Juliano.

Gerlach quits H&H post; Florescue assumes title

By Don Jeffrey

NEW YORK — Barry Florescue, Horn & Hardart's flamboyant chairman and chief executive, has taken over the duties and titles of president and chief operating officer following the unexpected resignation of John Gerlach.

Gerlach, a 52-year-old financial expert, resigned "for personal reasons," according to the company, which operates and franchises the 340-unit Bojangles' chicken chain. He was unavailable for comment.

Sales and profits have been disappointing this year. For the six-month period ended June 29, net profit fell 77%, to $1.38 million, while revenue dropped 5%, to $173 million. Florescue said the company would post a loss for the third quarter, but he denied that

(See GERLACH, page 161)

John Gerlach
Resignation was unexpected

Flakey's facing default on $8 million bank loan

By Richard Martin

KIRKLAND, Wash. — Flakey Jake's, forced out of compliance with an $8 million loan agreement by record second-quarter losses, now faces a Dec. 17 bank deadline: Either it raise funds through a new stock offer or risk default.

Meanwhile, last month the company laid off 18 corporate staffers, including vice presidents, and named its third operations chief so far this year, Wallace Doolin, who came to Flakey's from W. R. Grace's T. J. Applebee's casual restaurant division, where he was president.

The 37-unit build-your-own-burger outfit has proposed an underwritten public offering to sell two million of its common shares in minimum 15,000-share blocks, about 29% of all its current shares outstanding. It could

(See FLAKEY'S, page 161)

Industry capitalizing on changes in society, Cherne tells MUFSO

By D. M. Levine

ORLANDO, Fla. — Conservative economist Leo Cherne declared that the food-service industry is "insulated" from a "painful" evolutionary shift that is transforming the United States from a smokestack industrial society to one that is technologically oriented.

"Society is placing a new emphasis on leisure and entertainment and services of every character, including food service," Cherne said. He made his comment at *Nation's Restaurant News'* 26th annual Multi Unit Food-Service Operators (MUFSO) conference held at the Hyatt Regency Grand Cypress here. *(More MUFSO coverage next issue.)*

The food-service industry, Cherne said, is in a good position for continued growth, mostly because of large numbers of women who have entered the labor force over the last 20 years. Predicting the pace will continue well into the next century, Cherne said, "Served food is becoming an increasing necessity, not the luxu-

(See MUFSO, page 161)

Rax eliminates 20 jobs due to $2M loss

By D. M. Levine

COLUMBUS, Ohio — Rax Restaurants Inc., faced with a net loss of $2.05 million for the fiscal year ended July 29, has eliminated more than 20 administrative positions and is planning to test a hamburger at some of its units in an attempt to perk up sliding sales.

A. Grant Bowen, chief financial officer and vice chairman of the 453-unit chain, said the cuts represent about 10% of Rax's administrative staff at home and district offices and will save the company more than $2 million when benefits and travel expenditures are considered in addition to salaries. Those let go were mostly training, real-estate development and clerical personnel, Bowen added.

"There were absolutely no store-level cuts," he said in a telephone interview. Those eliminated "had nothing to do with supervision or hands-on operations."

The cutbacks come in response to the chain's annual results, which were issued two weeks ago. In the statement, the company reported a pretax loss of $4.78 million on revenues of $113.2 million.

Bowen said special adjustments related to real-estate acquisitions and market expenditures contributed to the loss. In addition, the company reported earlier that its systemwide sales declined by about 7% over last year's results.

In fiscal 1984 Rax reported net income of $4.29 million on revenues of $92.7 million.

Bowen said that beyond elimination of administrative positions and various cost-containment programs, no retrenchment is anticipated. He said the company is continuing with its aggressive push into the Southeast and is planning to introduce a hamburger at 30 of its units in Florida, West Virginia and Minnesota before Jan. 1.

Rax, which started primarily as a roast beef chain more than seven years ago, has repositioned itself recently, emphasizing its extensive salad bars and take-out prepackaged luncheon and dinner salads.

Over the last year, the company has undergone a series of management shifts in response to softening sales. The two principal appointments are Daniel J. Corrigan, a former Wendy's executive, who became Rax's executive vice president in charge of marketing; and Larry R. Ritter, the chain's executive vice president in charge of franchising, who became president.

RAX RESTAURANTS INC. TAKES A DIP

A 453-unit fast-food chain based in Columbus, Ohio.

Stock traded over-the-counter. Current price in the $5.25 range, down from a 52-week high of $14.75.

	1984	1985
Revenues	$92.7 million	$113.2 million
Net Income or (Loss)	4.29 million	(4.78 million)
Earnings (Loss) per Share	68 cents	(30 cents)

Source: *NRN* research, company reports.

Noble Roman's debuts Pan One pizza for lunch

By Howard Riell

BLOOMINGTON, Ind. — Noble Roman's has made its bid for a larger slice of the pizza segment's most increasingly competitive daypart by rolling out its own deep-dish lunchtime entry, the Pan One pizza.

The Pan One, an "individual lunchtime pizza" prepared in a pan from Sicilian dough, is a spinoff from the 127-unit chain's largely unsuccessful "International Pizzas" rollout of last year. Previously Noble Roman's lunchtime offerings—the Lite-Size and Son of Monster pizzas—were thin-crust only.

The introduction comes at a time when several segment rivals are following Pizza Hut's lead in the previously untapped daypart. Two years ago Pizza Hut unveiled its Personal Pan Pizza. Since then Pizza Inn has expanded its lunchtime buffet, marketing the pizza, pasta and salad offerings more toward midday diners. Round Table Pizza has also introduced lunchtime items, and Godfather's is now testing pizza by the slice aimed at increasing lunch sales.

The Pan One, available six days a week, was recently introduced in central Indiana and Ohio following a 90-day test in two Munci, Ind., units, according to Walter M. Bagot, the chain's senior vice president of marketing. The new

(See PIZZA, page 161)

PAN ONE!™
Noble Roman's
PIZZA

Pan One pizza is a spin-off of Noble Roman's "International Pizzas" of [illegible] deep-dish lunchtime entry is available every day except Sunday.

U.S. votes against international coffee pact

***NRN* Special Report**

In a meeting that ran several days over schedule, the International Coffee Organization (ICO) finally hammered out a quota agreement, but the United States, for the first time in the group's 22 years, voted against the final pact.

As a coffee-consuming nation, however, the "no" vote of the United States will have little effect upon the agreement or the price of coffee for the next year. This country had proposed regulating heavy selling by ICO producing nations to non-ICO members, causing prices in member countries to rise as shipments to them were curtailed. U.S.-backed restrictions on sales to nonmembers were not included in the final agreement.

Commodities

The price of green coffee beans is expected to move up by several cents a pound within the next two months, as the heavy winter coffee drinking season begins.

Another ICO, this time the International Cocoa Organization, has been successful in keeping the price of cocoa (from which chocolate is produced) at relatively stable levels for the past three years. Prices had been on a roller coaster before that, as the major African producing states were ravaged by rebellions and drought.

The increasing production of Brazil, a newcomer in the fiercely competitive cocoa arena, however, has given the ICO a counterbalance to the volatile African producers. As a result, cocoa has evened out in a range that varies only a few cents a pound from its highs to lows. The narrow spread has benefited both producers and chocolate processors.

* * *

Cases of citrus canker infection continue to show up in Florida's orange trees. The latest reportings were in a nursery

(See COFFEE, page 14)

PRICE MOVEMENT AT A GLANCE

	Oct. 7, 1984	Sept. 6, 1985	Oct. 7, 1985
Beans, lima, dry, large, Calif. cwt. (lb.)	$0.42	$0.345	$0.325
Beef, Choice, 700-900 lb., Midwest (lb.)	$0.93	$0.80	$0.88
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$0.5310	$0.5801	$0.5138
Butter, Grade AA, Chicago (lb.)	$1.5975	$1.3975	$1.4375
Eggs, Grade A, large white, Chicago (doz.)	$0.68	$0.69-0.72	$0.69-0.72
Lettuce, iceberg, No. 1, Calif. (24s)	$7.00-9.00	$7.00-8.00	$5.00-6.00
Pepper, black, N.Y.C. (lb.)	$1.17	$1.75	$1.92
Peppers, green, large No. 1, Calif. (30 lb.)	$8.00-9.00	$5.00-5.50	$7.00-9.00
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$0.88	$0.97	$0.97
Raspberries, red, Grade A frozen, Northwest, 28 lb. (lb.)	$0.68	$0.68	$0.70-0.72

Source: NRN Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

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New competition faces U.S. fast feeders abroad

Some countries nearing saturation point

LONDON — American-based fast feeders can expect increased competitive pressure from emerging fast-food chains based outside the United States, according to a comprehensive report on international fast food issued by London-based Euromonitor.

The market analysis company said the new competition is growing at a time when American chains' considerable overseas investments are just beginning to pay off. The report also raises the possibility of imminent market saturation in some countries. Domestic saturation was one of the reasons American fast feeders expanded overseas in the first place, the report noted.

"Fast-food sales outside the United States are heavily dominated by U.S. chains or franchise operations," Euromonitor said. "However, national companies have responded in several major markets, notably Japan and the United Kingdom, to challenge the United States' dominance of the fast-food dollar."

The report also suggested that "no frills" fast food will be increasingly the domain of convenience stores, gas stations, mobile units and retail stores as traditional fast feeders upgrade their decor and expand their menus to meet consumer demands.

Euromonitor is convinced that American-style fast food is gaining in popularity throughout the world, even in "the traditionally reactionary markets, such as France and Italy." And despite the new competition, "the U.S. market remains the spearhead of international fast-food expansion," the report said.

The report forecast large rates of growth in fast-food sales between 1984 and 1990—145% in France; 154% in Italy; 52% in Japan; 110% in the United Kingdom; and 62% in Germany.

In 1984, according to the report, the international fast-food industry reported sales of $47 billion with American fast feeders accounting for 86% of the total, or $40.2 billion. (The U.S. Commerce Department earlier estimated that 1984 fast-food sales in the United States in 1984 reached $46.8 billion.)

Other major markets were Japan, with 1984 fast-food sales of $1.8 billion; Canada, $1 billion; United Kingdom, $900 million; Asian Pacific, $800 million; West Germany, $600 million; other Far East, $400 million; France, $300 million; Caribbean, $200 million; Mexico, $100 million; other European nations, $100 million; South and Central America excluding Mexico and the Caribbean, $100 million; and all other nations, $100 million.

Consumers around the world are attracted to fast food for the same reasons American consumers are, the report said. Fast food "provides a quick, economical way to eat out. It therefore particularly suits young people, although they in turn can be grouped into two distinct sectors: the younger under-21s who like to eat cheap 'junk' food and the 30-to-40-year age group who have children who like it as well."

"The universality of the appeal stems from the value-for-money concept, the convenience of service, the generally clean and hygenic standards in force, the attractive if plastic decor and—despite the 'junk' concept—the good quality of the product and its intrinsic appeal," the report continued.

Trends that are driving the fast-food industry in the United States, and changing it, are expected to show up soon in international markets, Euromonitor said.

"Recent U.S. trends suggest that refinements to this pattern are now taking place, as operators are keen to impact the more affluent sectors of the catering market with a more sophisticated image and broader menus," the report said. "The aim is to attract people who regularly eat out in quick-service restaurants; younger adults 'on the move'; and the wealthier family market.

"As these changes unfold, the fast-food outlet will increasingly resemble a quick-service restaurant and the classic burger/chicken/pizza mix will become more firmly identified with such outlets as convenience stores, gasoline stations, mobile units and retail stores. As these trends filter through into the international market, the appeal of the fast-food industry will broaden and growth will continue at an accelerated rate."

Euromonitor identified several American fast-food trends that will have an impact on fast feeders in other countries.

- "Increasing marketing efforts to attract the affluent 25-to-35-year-old age group, who are a key target group within the catering market and expanding in absolute terms;
- "Similar efforts to attract young working women and singles rather than depend on the dwindling youth population;
- "Diversifying menus, either through the major chains offering a wider range or 'second tier' chains developing specialties;
- "Strong growth in Mexican foods and Oriental foods;
- "Responses to healthy eating with [more healthful] versions of menus, salads and cold foods and specialist 'lite' restaurants;
- "Strong inroads into the expanding breakfast time market;
- "Sales of soft drinks are becoming a major source of income, and fast-food outlets are an increasingly important point of distribution;
- "More flexible trading hours; growing fast-food interest among gasoline stations, convenience stores and other retail outlets."

Euromonitor estimated that worldwide fast-food sales in 1985 will top the $50 billion mark.

The report noted that American fast-food chains, primarily those specializing in burgers, chicken, pizza, doughnuts and ice cream, have been expanding rapidly overseas because of intense competition in the United States. But the problems of establishing fast-food concepts in new markets are so considerable, it continued, that "such operations may operate at a loss for up to five years, so the investment costs are prohibitive to all but the major chains."

Euromonitor questioned whether the accelerated rate of growth of fast-food chains in recent years can be maintained. "Fast-food chains will increasingly need to broaden their appeal in order to grow. The 'traditional' fast-food outlet has a limit to its appeal within higher-spending income groups where the broader menu quick-service restaurants are doing well," it said.

"Already, in the United States, there is strong evidence of the realization of this, with a move to broader fares and upmarket decors. As this trend progresses, the division between fast-food and restaurant businesses will become increasingly blurred."

Euromonitor said it expects the fast-food market in France, Italy, Japan, the United Kingdom, the United States and West Germany to grow in current and real terms over the next five years.

Per-capita fast-food spending in the United States was $166.90 in 1984, according to Euromonitor, compared with $5 in France, $2.70 in Italy; $15.20 in Japan; $16.40 in the United Kingdom; and $9.50 in West Germany.

1984 WORLDWIDE FAST FOOD SALES

Country	Total Sales (Billions)
United States	$40.2
Japan	1.8
Canada	1.0
United Kingdom	0.9
Pacific Far East	0.8
West Germany	0.6
Other Far East	0.4
France	0.3
Caribbean	0.2
Mexico	0.1
Other Europe	0.1
Other Americas	0.1
Other World	0.1
Total	46.7

Source: Euromonitor, Market Direction

Euromonitor said real growth (adjusted for inflation) between 1983 and 1984 was 12.2% in France, 16.9% in Italy, 5.1% in Japan, 14.5% in the United Kingdom, 6.8% in the United States and 4% in West Germany.

By 1987 there will be 1,110 fast-food outlets in France, 800 in Italy, 11,500 in Japan, 2,300 in the United Kingdom, 142,500 in the United States and 1,225 in West Germany, according to Euromonitor.

1984 FAST-FOOD MARKETS

	Market Size (Millions)	Sales Per Head	Real Growth '83/'84	Number of Outlets	1985 Sales Forecasts* (Millions)
France	$ 275	$ 5.00	12.2%	795	$ 330
Italy	160	2.70	16.9	500	210
Japan	1,837	15.20	5.1	10,925	1,980
United Kingdom	920	16.40	14.5	2,060	1,100
United States	39,500	166.90	6.8	137,200	43,850
West Germany	585	9.50	4.0	1,000	620

Source: Market Direction

*Rounded estimates

PROJECTED NUMBER OF FAST-FOOD OUTLETS 1984-90

	1984	1987	1990	Maximum
France	796	1,110	1,350	2,500
Italy	500	800	1,200	2,000
Japan	10,925	11,500	12,000	15,000
United Kingdom	2,060	2,300	2,750	4,000
United States	137,200	142,500	145,000	155,000
West Germany	1,000	1,225	1,400	3,000

Source: Euromonitor, Market Direction

MARKET SIZE PROJECTIONS TO 1990

	1984*	1990*	% Growth 1984-90	% Inflation Per annum
France	$ 275	$ 675	+145	7.5
Italy	177	450	+154	10.0
Japan	1,837	2,800	+ 52	2.5
United Kingdom	920	1,930	+110	6.0
United States	39,500	60,000	+ 52	4.5
West Germany	585	950	+ 62	3.0

Source: Euromonitor, Market Direction

*In millions at current prices

Kentucky Fried Chicken

NRN Photo

A Kentucky Fried Chicken outlet in Japan. The country rang up $1.8 billion in fast-food sales in 1984.

NRN Index falls 2.6 to 120.2, losers outnumber gainers

NEW YORK — The *Nation's Restaurant News* Food-Service Operators Stock Index resumed its declining trend in the week ended Oct. 14, dropping 2.6 points, to close at 120.2.

Broader gauges of market activity were on the upswing, however. For example, the Dow Jones Industrial Average gained 11.20 points in the week and closed at 1,339.94. Some analysts attributed that to positive economic news, such as the 2.7% increase in September retail sales and the 0.6% decrease in producer prices.

On *NRN*'s complete, 114-issue listing that includes lodging and diversified companies, 42 stocks advanced in price, while 52 declined and 20 were unchanged. Sixty-eight issues traded at higher volumes than their previous 12-week averages, as 45 traded lower and one was unchanged.

Two of the most active stocks in price change and trading volume were the subjects of takeover speculation.

Rumors that Winners Corp. would be acquired boosted its price $1.13, to close at $6.75, a 20% gain, on volume of 166,300 shares, 230.2% greater than the average.

Speculation on Hilton Hotels Corp. was twofold. Some observers believed that Golden Nugget would propose a takeover bid or that Hilton's executives would take the company private in a leveraged buyout. That drove the stock price up $9.25, to $66.50, a 16.2% increase, as 828,600 shares traded hands, 235% higher than average.

No food-service stock closed at a yearly price high in the week, but several finished at 52-week lows, including Sea Galley, down 25¢ to $4; Taco Villa, down 75¢ to $3.75; Restec, down 25¢ to $3.25; Max & Erma's, down 50¢ to $1.75; 1 Potato 2, down 19¢ to 38¢; Stuff Yer Face, down 13¢ to 31¢; Good Taco, down 6¢ to 25¢; and Nankin Express, down 3¢ to 9¢.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Sizzler Rest Intl ....M	343.2	Ponderosa Sys ....N	172.5
Assoc Hosts ....M	251.3	Old Fashion Fd ....M	172.1
Chili's Inc ....M	251.0	Peo Restaurants ....M	134.7
Hilton Hotels ....N	235.0	Fuddruckers Inc ....M	131.8
Winners Cp ....N	230.2	Nankin Express ....O	125.3

TOP TEN GAINERS

(Weekly Price Change, in %)

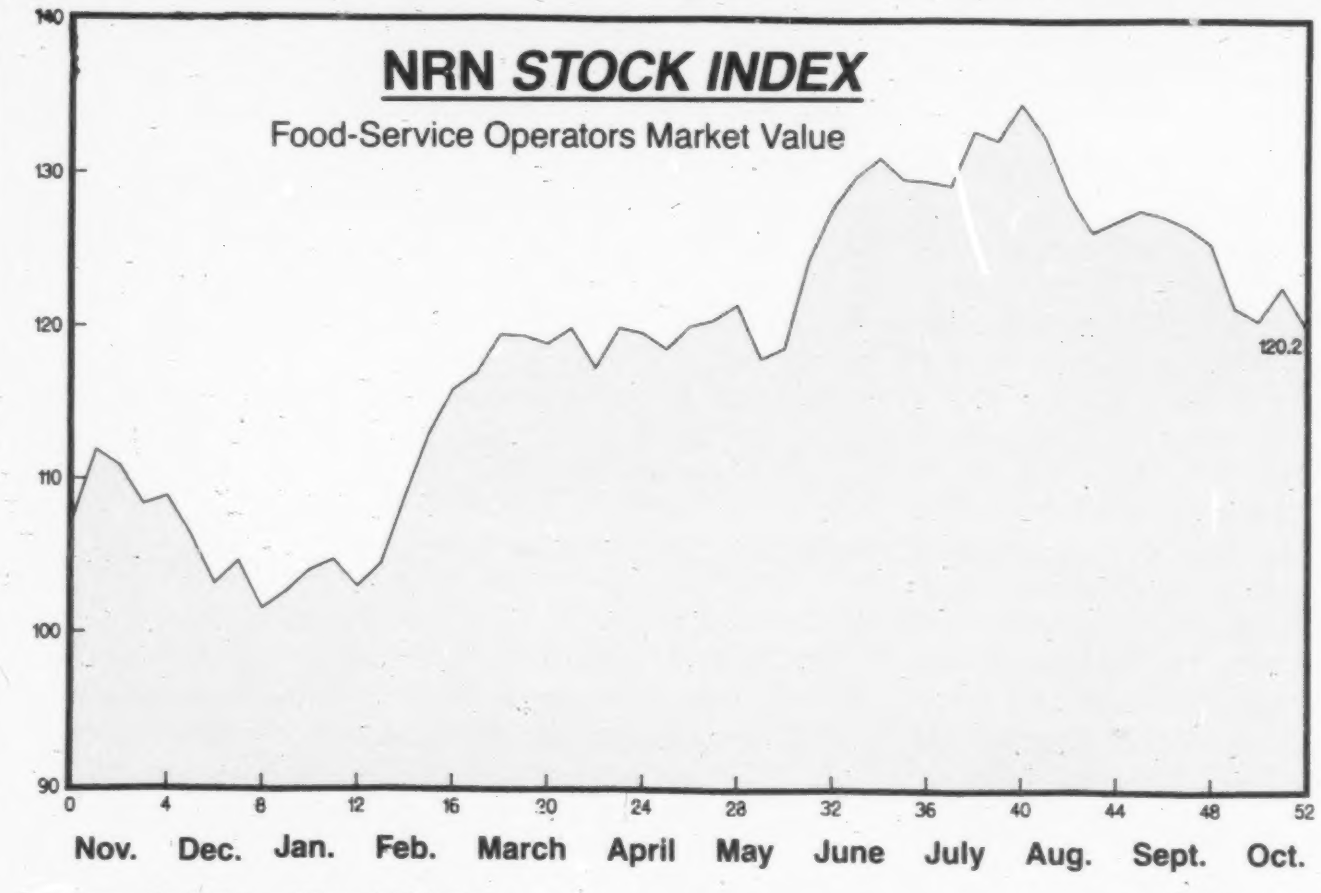
Peo Restaurants ....M	75.0	Old Fashion Fd ....M	11.1
Maverick Rest ....M	35.7	Acapulco Rests ....M	8.8
Winners Cp ....N	20.0	Assoc Hosts ....M	8.6
Hilton Hotels ....N	16.2	El Pollo Asa ....O	7.9
DLites Of Amer ....M	11.3	PepsiCo Inc ....N	6.7

TOP TEN LOSERS

(Weekly Price Change, in %)

1 Potato 2 ....O	- 33.3	Flakey Jakes ....M	- 19.0
Stuff Yer Face ....O	- 28.6	Taco Villa ....O	- 16.7
Nankin Express ....O	- 25.0	Fuddruckers Inc ....M	- 15.7
Max & Erma's ....O	- 22.2	Vie de France ....M	- 15.5
Good Taco ....O	- 20.0	Victoria Stations ....M	- 15.4

Company and Market	Stock Market											Financial Update																	
	Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	10-11-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol. As % Out	Volume Trend Change		Amt.	Yld.	New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
		Amt.	Pct.	High	Low	High	Low	Total	% Out									Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																													
A&M Food Svcs ....M	7.13	- .13	- 1.7	7.25	7.00	8.00	3.50	195	.55	.95	- 42.1	12.5	.00	.0	.....	9 mos.	09-85	16.3	101.2	1.2	200.0	.33	200.0	33.5	51.6	2.0	81.8	.55	83.3
Acapulco Rests ....M	4.63	.38	8.8	4.63	4.38	5.38	3.50	21	.08	.45	- 82.2	20.1	.00	.0	.....	9 mos.	07-85	11.3	- 40.5	.3	NC	.11	1000.0	31.2	10.2	.3	.0	.12	- 14.3
Am Restaurants ....M	3.50	.00	.0	3.88	3.50	4.75	2.38	165	.72	.37	94.6	50.0	.00	.0	.....	6 mos.	07-85	5.7	26.7	.1	.0	.05	66.7	10.4	15.6	.1	- 50.0	.04	- 60.0
Assoc Hosts ....M	14.25	1.13	8.6	14.88	11.88	15.75	10.75	6,425	14.51	4.13	251.3	22.6	.12	.8	.....	9 mos.	06-85	22.8	- 5.0	.6	- 45.5	.12	- 47.8	68.2	- 4.1	2.0	- 33.3	.44	- 33.3
Benihana Natl ....M	13.00	- 1.00	- 7.1	14.00	12.63	21.75	12.38	1,073	3.60	3.60	.0	10.9	.00	.0	.....	3 mos.	06-85	28.1	100.7	1.1	57.1	.36	50.0	28.1	100.7	1.1	57.1	.36	50.0
Bob Evans Farms ....M	21.25	1.25	6.3	21.50	19.50	22.75	15.69	803	.45	.82	- 45.1	20.4	.27	1.3	.....	3 mos.	07-85	61.9	14.6	5.0	13.6	.28	12.0	61.9	14.6	5.0	13.6	.28	12.0
Calibre Cp ....M	1.88	- .25	- 11.8	2.13	1.88	4.25	.63	79	.26	.44	- 40.9	NE	.00	.0	.....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food ....M	13.38	.63	4.9	13.38	12.50	15.13	8.13	430	.95	4.90	- 80.6	18.6	.16	1.2	.....	6 mos.	08-85	16.6	27.7	.7	40.0	.16	33.3	30.2	20.8	1.6	14.3	.35	12.9
Capt Crab ....M	1.00	- .06	- 5.9	1.06	0.94	2.63	.88	1,349	.88	.78	12.8	NE	.00	.0	.....	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp ....N	7.00	- .13	- 1.8	7.13	6.88	11.50	6.50	349	.45	.59	- 23.7	11.1	.07	1.0	.....	3 mos.	08-85	39.8	4.7	1.5	- 28.6	.20	- 28.6	39.8	4.7	1.5	- 28.6	.20	- 28.6
Chefs Intl ....O	.56	.00	.0	0.63	0.56	.88	.38	802	.41	.53	- 22.6	NE	.00	.0	.....	3 mos.	04-85	5.3	- 11.7	.0	NE	.00	NE	5.3	- 11.7	.0	NE	.00	NE
Chi-Chi's ....M	8.88	- 1.13	- 11.3	9.25	8.50	15.13	8.50	9,073	3.36	2.48	35.5	15.8	.00	.0		3 mos.	07-85	65.1	39.7	4.5	- 10.0	.17	- 10.5	65.1	39.7	4.5	- 10.0	.17	- 10.5
Chili's Inc ....M	20.88	- 1.00	- 4.6	21.13	20.25	28.88	19.00	11,232	24.15	6.88	251.0	23.7	.00	.0	.....	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch ....N	15.25	.38	2.5	15.25	14.38	20.25	13.63	6,249	1.66	3.30	- 49.7	13.3	.44	2.9	.....	9 mos.	09-85	136.3	10.3	9.9	- 4.8	.26	- 7.1	389.3	11.0	29.0	3.2	.77	2.7
Collins Foods ....N	13.13	- .25	- 1.9	13.50	12.88	16.69	9.09	3,034	1.54	.92	67.4	15.1	.12	.9	.....	3 mos.	07-85	136.4	18.6	5.6	16.7	.19	- 20.8	136.4	18.6	5.6	16.7	.19	- 20.8
Concept Dev ....M	9.13	- .13	- 1.4	9.25	8.50	16.75	5.75	937	1.81	2.60	- 30.4	NE	.00a	.0	.....	9 mos.	03-85	28.1	212.2	(1.2)	- 100.0	(.23)	- 100.0	30.2	9.4	(1.2)	- 100.0	(.23)	- 100.0
Consol Prdts ....M	3.25	- .13	- 3.7	3.38	3.25	5.38	3.13	55	.17	.41	- 58.5	14.8	.08	2.5	.....	9 mos.	06-85	16.4	.0	(.1)	- 100.0	(.02)	- 100.0	50.2	- 2.3	.2	- 71.4	.06	- 68.4
Consul Restaurant ....M	2.13	- .25	- 10.5	2.50	2.00	7.88	2.00	1,200	2.64	2.01	31.3	NE	.00	.0	.....	3 mos.	08-85	21.9	3.8	.1	NC	.02	100.0	21.9	3.8	.1	NC	.02	100.0
Cracker Barrel ....M	11.00	.25	2.3	11.75	10.75	17.75	10.25	31	.09	1.57	- 94.3	15.5	.14	1.3	.....	fiscal	07-85	20.7	19.7	1.5	15.4	.45	- 2.2	67.5	18.6	2.4	- 11.1	.71	- 27.6
Cucos Inc ....O	7.00	.00	.0	7.50	7.00	7.00	2.75	34	.20	.77	- 74.0	43.8	.00	.0	.....	fiscal	06-85	1.8	100.0	.1	NC	.05	66.7	6.6	106.3	.3	50.0	.16	23.1
DLites Of Amer ....M	7.38	.75	11.3	7.63	6.63	15.50	6.38	1,973	3.88	3.48	11.5	43.4	.00	.0	.....	3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts ....M	22.75	- .50	- 2.2	23.25	22.38	25.38	14.84	407	.57	1.60	- 64.4	16.3	.24	1.1	.....	9 mos.	07-85	48.7	136.4	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico ....M	9.38	.13	1.4	9.38	9.13	12.50	7.25	203	.44	1.57	- 72.0	10.8	.00	.0	.....	3 mos.	08-85	21.9	3.8	1.0	11.1	.22	10.0	21.9	3.8	1.0	11.1	.22	10.0
El Pollo Asa ....O	5.13	.38	7.9	5.25	4.75	6.34	1.84	579	3.43	3.53	- 2.8	NE	.00	.0	.....	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest ....N	11.63	- .50	- 4.1	12.13	11.63	19.25	10.63	905	.82	1.24	- 33.9	10.8	.00	.0	.....	6 mos.	06-85	84.9	31.4	4.0	21.2	.35	20.7	150.3	22.1	6.2	26.5	.54	25.6
Famous Rest ....M	1.56	- .19	- 10.7	1.75	1.44	3.88	1.56	1,108	1.85	1.01	83.2	NE	.00	.0	.....	6 mos.	06-85	12.3	- 2.4	(.1)	- 100.0	(.02)	- 100.0	28.6	- 3.7	.3	NC	.05	NC
Fast Food Oper ....O	.56	.00	.0	0.75	0.56	1.31	.50	121	.20	.31	- 35.5	28.1	.00	.0	.....	6 mos.	06-85	1.9	- 9.5	.1	.0	.01	- 50.0	3.7	- 2.6	.1	.0	.01	- 50.0
Flakey Jakes ....M	2.13	- .50	- 19.0	2.63	2.00	8.25	2.13	2,506	3.61	3.41	5.9	NE	.00	.0	.....	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest ....O	1.50	.00	.0	2.50	1.50	7.38	1.50	3	.02	.12	- 83.3	NE	.00	.0	.....	6 mos.	06-85	2.2	37.5	.0	NE	.01	NE	3.9	56.0	(.3)	NE	(.17)	NE
Frisch's ....A	22.63	.88	4.0	22.63	21.00	26.00	14.50	126	.29	.18	61.1	19.7	.22	1.0	.....	fiscal	05-85	30.5	- 5.9	1.7	- 10.5	.39	- 7.1	127.3	2.7	5.0	2.0	1.15	3.6
Fuddruckers Inc ....M	5.38	- 1.00	- 15.7	6.00	4.88	14.50	5.38	4,729	7.00	3.02	131.8	31.6	.00	.0	.....	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco ....O	.25	- .06	- 20.0	0.31	0.25	2.75	.25	178	.60	.58	3.4	NE	.00	.0	.....	fiscal	02-85	.1	- 75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet ....O	14.50	- .25	- 1.7	15.25	14.50	15.25	10.50	1	.01	.36	- 97.2	7.4	.00	.0	.....	3 mos.	06-85	9.4	- 2.1	.4	.0	.58	.0	9.4	- 2.1	.4	.0	.58	.0
Hungry Tiger ....M	5.63	.00	.0	5.75	5.63	6.25	3.63	401	1.38	2.14	- 35.5	NE	.00	.0	.....	9 mos.	06-85	20.7	- 3.3	(.4)	- 100.0	(.13)	- 100.0	49.6	- 5.3	(.9)	- 100.0	(.29)	- 100.0
Intl Dairy Queen ....O	72.50	1.50	2.1	76.00	72.00	72.50	40.00	6	.03	.14	- 78.6	15.7	.00	.0		9 mos.	08-85	52.0	27.5	4.2	NE	2.14	32.9	127.6	19.8	8.1	20.9	4.06	34.0
Intl King Tab ....M	17.75	.25	1.4	17.75	17.00	24.75	14.88	421	1.47	1.72	- 14.5	11.5	.00a	.0		3 mos.	09-85	18.9	- 1.6	1.1	.0	.38	5.6	18.9	- 1.6	1.1	.0	.38	5.6
JB Restaurant ....M	10.75	.13	1.2	10.75	10.50	15.50	9.16	1,256	2.72	3.08	- 11.7	14.1	.16	1.5	.....	9 mos.	06-85	32.8	47.7	.9	- 10.0	.24	- 14.3	69.5	42.7	1.8	- 5.3	.48	- 9.4
Jerrico Inc ....M	21.50	.38	1.8	21.63	20.25	23.25	14.25	5,613	3.54	4.76	- 25.6	15.2	.12	.6	.....	fiscal	06-85	128.1	1.2	7.6	10.1	.48	11.6	505.7	4.5	22.3	9.3	1.41	9.3
Kapok Cp ....A	3.25	- .25	- 7.1	3.38	3.25	4.38	1.50	105	.43	.68	- 36.8	2.0	.00	.0	.....	9 mos.	06-85	3.8	- 40.6	1.1	NE	.40	NE	14.6	- 15.6	4.9	NE	2.01	NE
Karcher Carl ....M	15.75	- .50	- 3.1	16.13	15.75	23.50	13.50	1,514	2.14	1.25	71.2	21.9	.00	.0		6 mos.	07-85	79.1	- 2.0	1.5	- 65.1	.21	- 65.0	174.6	- 2.3	2.3	- 73.9	.32	- 74.2
Lifestyle Rest ....A	1.75	.00	.0	1.75	1.63	3.13	1.50	152	.27	.33	- 18.2	NE	.00	.0	.....	9 mos.	07-85	18.1	- 4.7	(.6)	NE	(.12)	NE	59.8	- 9.7	(4.8)	NE	(.85)	NE
Luby's Cafe ....N	34.00	.25	.7	34.25	33.38	37.38	26.38	522	.43	.29	48.3	21.9	.60	1.8	.....	9 mos.	05-85	52.5	14.4	5.5	7.8	.45	7.1	144.5	17.5	13.8	12.2	1.14	11.8
Marcus Corp ....M	17.00	- .50	- 2.9	17.50	17.00	19.38	13.88	171	.34	.23	47.8	10.2	.30	1.8	.....	3 mos.	08-85	36.1	7.8	3.2	14.3	.62	12.7	36.1	7.8	3.2	14.3	.62	12.7
Marriott Corp ....N	88.38	- 1.63	- 1.8	89.75	87.50	100.00	70.00	3,163	1.22	.66	84.8	14.9	.54	.6	.....	9 mos.	09-85	969.0	16.2	44.8	17.0	1.67	16.8	2845.5	18.4	115.6	20.4	4.30	21.5
Maverick Rest ....M	2.38	.63	35.7	2.38	1.63	6.00	1.50	50	.10	.21	- 52.4	NE	.00	.0	.....	6 mos.	07-85	3.3	13.8	(.1)	- 100.0	(.02)	- 100.0	6.4	20.8	(.1)	- 100.0	(.02)	- 100.0
Max & Erma's ....O	1.75	- .50	- 22.2	2.13	1.75	4.75	1.75	60	.35	.15	120.0	NE	.00	.0	.....	9 mos.	07-85	4.0	- 9.1	(.2)	NE	(.12)	NE	12.6	- 4.5	(.1)	NE	(.07)	NE
McDonald's Cp ....N	65.63	.88	1.4	65.88	64.13	70.00	50.00	6,362	.74	1.04	- 28.8	14.2	.90	1.4	.....	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures ....M	10.00	.00	.0	10.25	9.63	11.88	9.75	62	.11	.43	- 74.4	11.9	.00	.0	.....	9 mos.	08-85	18.3	67.9	1.3	30.0	.23	15.0	48.1	55.7	3.9	50.0	.78	44.4
Morrison Inc ....M	18.13	.13	.7	18.25	17.88	21.88	15.50	398	.29	.90	- 67.8	13.8	.48	2.6	.....	3 mos.	08-85	128.8	9.2	4.9	6.5	.36	5.9	128.8	9.2	4.9	6.5	.36	5.9
Mr Steak ....O	1.00	.00	.0	1.13	0.88	3.13	.88	748	1.56	.81	92.6	NE	.00	.0	.....	9 mos.	06-85	7.0	- 59.1	(.5)	NE	(.11)	NE	21.8	- 56.2	(.6)	NE	(.14)	NE
Nankin Express ....O	.09	- .03	- 25.0	0.19	0.09	2.25	.09	481	2.14	.95	125.3	NE	.00	.0	.....	6 mos.	07-85	.4	100.0	(.6)	NE	(.26)	NE	.7	75.0	(.9)	NE	(.39)	NE
Nathans ....M	3.75	- .13	- 3.2	3.88	3.50	4.50	2.00	37	.17	.85	- 80.0	10.7	.05	1.3	.....	3 mos.	06-85	6.6	8.2	.5	25.0	.21	16.7	6.6	8.2	.5	25.0	.21	16.7
Natl Pizza ....M	11.88	.13	1.1	12.00	11.75	12.88	7.50	270	.49	.79	- 38.0	16.0	.00	.0	.....	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc ....M	2.44	- .31	- 11.4	2.63	2.38	9.00	2.25	1,399	3.16	3.54	- 10.7	NE	.00	.0		fiscal	06-85	30.8	13.2	(7.5)	- 100.0	(1.68)	- 100.0	124.1	8.1	(9.2)	NE	(2.06)	NE
Noble Roman ....O	6.75	.00	.0	7.50	6.75	8.50	6.25	5	.04	.24	- 83.3	56.3	.00	.0	.....	6 mos.	06-85	5.5	25.0	(.1)	- 100.0	(.02)	- 100.0	10.2	14.6	(.2)	- 100.0	(.13)	- 100.0
1 Potato 2 ....O	.38	- .19	- 33.3	0.63	0.38	5.00	.38	88	.40	.42	- 4.8	NE	.00	.0	.....	3 mos.	04-85	3.5	- 7.9	(.4)	NE	(.17)	NE	3.5	- 7.9	(.4)	NE	(.17)	NE
Old Fashion Fd ....M	5.00	.50	11.1	5.00	4.63	5.25	4.00	416	3.02	1.11	172.1	8.3	.00	.0		3 mos.	08-85	3.7	12.1	.1	- 50.0	.10	- 23.1	3.7	12.1	.1	- 50.0	.10	- 23.1
Pancho Mex Buffet ....M	6.88	- .38	- 5.2	6.88	6.13	8.38	6.00	609	1.64	1.99	- 17.6	12.3	.13	1.9	.....	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants ....M	.22	.09	75.0	0.25	0.13	1.50	.09	1,920	2.23	.95	134.7	NE	.00	.0	.....	6 mos.	12-84	5.5	- 69.6	(17.1)	NE	(1.97)	NE	13.8	- 54.0	(20.4)	- 100.0	(2.36)	- 100.0
Piccadilly Caf ....M	22.63	.63	2.8	22.63	21.75	24.13	16.50	345	.57	.89	- 36.0	14.3	.60	2.7	.....	fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn ....A	7.63	.13	1.7	7.75	7.25	10.25	6.88	197	.65	.70	- 7.1	NM	.08	1.0	.....	6 mos.	06-85	50.6	4.1	.3	- 72.7	.10	- 71.4	98.3	13.0	.4	- 78.9	.14	- 77.0
Po-Folks ....M	11.50	- .25	- 2.1	11.75	11.50	14.75	8.75	234	.53	.81	- 34.6	14.9	.00	.0	.....	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys ....N	14.75	- .13	- .8	15.38	14.25	16.50	10.50	10,670	11.09	4.07	172.5	NM	.40	2.7	.....	6 mos.	08-85	117.7	- 6.1	1.5	- 68.1	.16	- 68.6	234.9	- 3.7	2.3	- 75.0	.24	- 77.4



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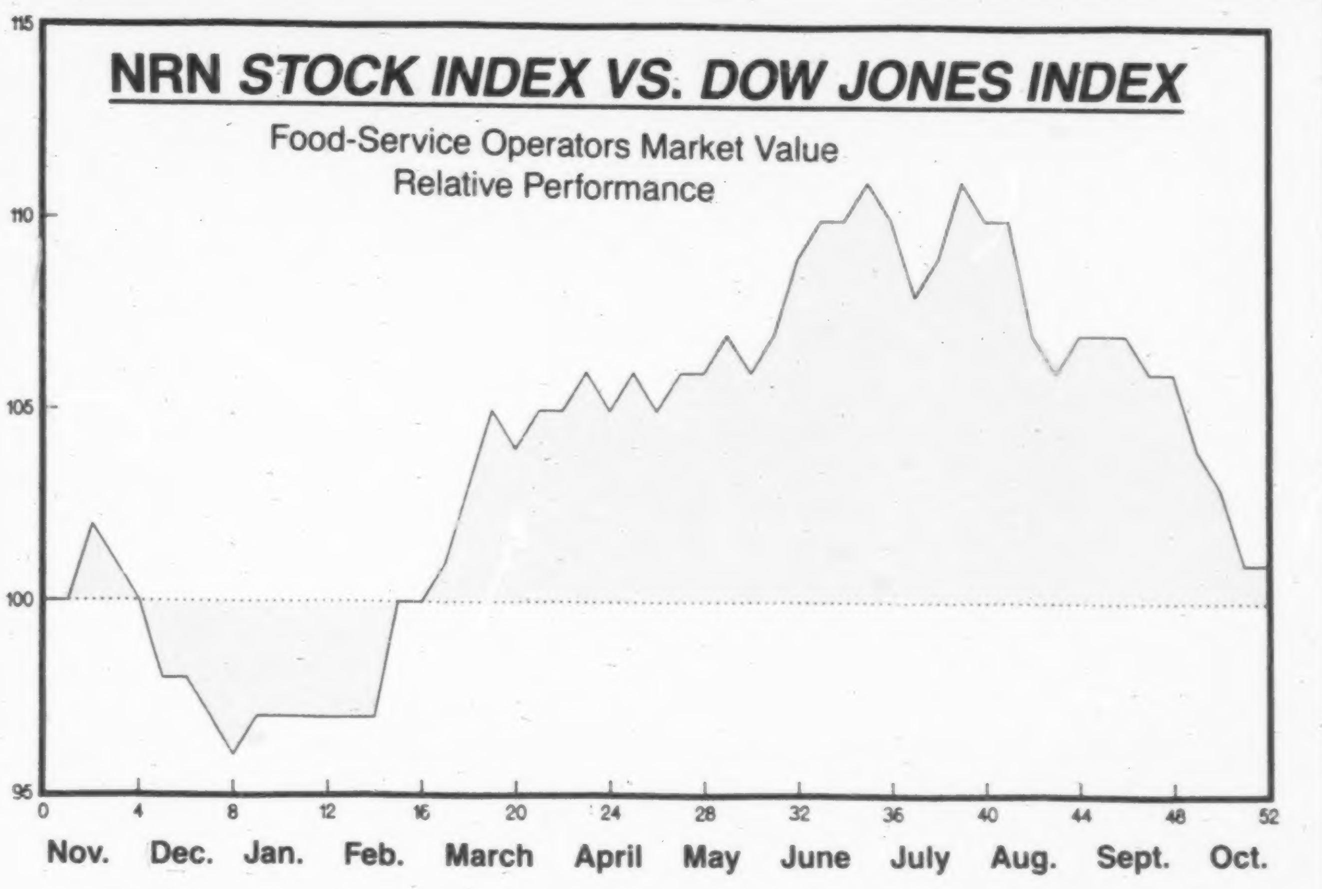

	Stock Market											Financial Update																	
	Price							Volume					Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	10-11-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Primo Inc ..... O	1.75	.00	.0	1.88	1.75	4.63	1.50	110	.33	.35	- 5.7	NM	.00	.0	.....	9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants ..... M	5.50	- .50	- 8.3	5.75	5.25	13.75	5.25	1,235	1.80	.89	102.2	NC	.00	.0	.....	fiscal	07-81	NC	NC	NC	NC	NC	NC	.0	NC	.0	NC	.00	NC
Rest Assoc ..... A	4.63	- .13	- 2.6	4.88	4.63	6.59	3.84	62	.16	.83	- 80.7	14.0	.10	2.2	.....	6 mos.	06-85	35.8	9.1	.6	.0	.18	20.0	69.0	9.9	.3	- 50.0	.09	- 40.0
Rest Mgmt ..... M	12.00	.00	.0	12.25	11.75	15.00	6.75	59	.28	1.59	- 82.4	17.1	.09	.8	.....	9 mos.	07-85	8.5	28.8	.5	25.0	.15	- 11.8	26.7	34.8	1.5	36.4	.54	10.2
Rest Systems ..... M	16.88	- .25	- 1.5	16.88	16.75	17.13	11.75	170	.73	1.96	- 62.8	18.3	.00	.0	.....	6 mos.	06-85	9.6	18.5	.6	20.0	.23	4.5	20.1	8.6	1.1	10.0	.46	7.0
Ritzys G D ..... M	1.81	- .31	- 14.7	2.13	1.75	3.75	1.75	795	1.53	.87	75.9	NE	.00	.0	.....	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican ..... M	12.13	- 1.63	- 11.8	13.25	12.13	18.25	11.00	197	.70	1.59	- 56.0	14.1	.00	.0	.....	fiscal	07-85	19.2	61.3	1.2	71.4	.44	37.5	53.7	47.1	2.3	27.8	.86	1.2
Ryan's Fam ..... M	16.75	1.00	6.3	17.00	15.25	19.25	11.34	2,921	4.21	1.97	113.7	27.5	.00	.0	.....	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp ..... N	22.25	.00	.0	22.63	22.00	35.00	22.00	1,508	1.15	1.56	- 26.3	10.2	.52	2.3	.....	fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef ..... M	7.88	.25	3.3	8.00	7.63	8.88	6.88	30	.24	.27	- 11.1	13.8	.00	.0	.....	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley ..... M	4.00	- .25	- 5.9	4.25	4.00	9.50	4.00	1,438	4.53	4.10	10.5	2.1	.00	.0	.....	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc ..... M	25.00	- 1.00	- 3.8	25.38	24.63	31.88	21.94	4,302	1.51	1.54	- 1.9	20.0	.15	.6	.....	9 mos.	07-85	134.2	13.9	10.4	26.8	.36	20.0	413.8	14.9	27.6	26.0	.96	20.0
Shoney's South ..... M	11.13	- .13	- 1.1	11.25	10.88	16.00	10.00	272	.48	1.62	- 70.4	10.3	.00	.0	.....	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	- 25.0	.51	- 25.0
SIS Cp ..... M	4.75	.00	.0	5.50	4.75	5.50	3.25	47	.30	.62	- 51.6	NE	.00	0	.....	6 mos.	06-85	3.4	61.9	.0	- 100.0	.03	- 25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl ..... M	13.50	.75	5.9	13.75	12.25	17.75	9.16	4,302	4.21	.95	343.2	13.2	.00	.0	.....	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers ..... M	9.50	- .38	- 3.8	9.75	9.50	12.50	8.75	99	.36	2.01	- 82.1	10.3	.08	.8	.....	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality ..... M	4.63	.13	2.8	4.63	4.50	5.88	4.00	349	.70	1.93	- 63.7	11.0	.00	.0	.....	3 mos.	08-85	12.2	14.0	.7	75.0	.15	87.5	12.2	14.0	.7	75.0	.15	87.5
Stuff Yer Face ..... O	.31	- .13	- 28.6	0.44	0.31	1.44	.31	1,004	.66	.43	53.5	NE	.00	.0	.....	3 mos.	06-85	.8	60.0	(.1)	NE	(.01)	NE	.8	60.0	(.1)	NE	(.01)	NE
Swensens Inc ..... O	1.50	.00	.0	1.63	1.50	3.13	1.38	52	.10	.18	- 44.4	NE	.00	.0	.....	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa ..... O	3.75	- .75	- 16.7	4.50	3.75	7.75	3.75	86	.10	.11	- 9.1	19.7	.00	.0	.....	6 mos.	06-85	18.9	166.2	.5	66.7	.06	- 14.3	34.1	138.5	.3	- 50.0	.04	- 73.3
Taco Viva ..... M	3.63	- .13	- 3.3	3.63	3.38	7.50	3.38	263	.77	.65	18.5	10.7	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's ..... N	8.00	- .50	- 5.9	8.75	7.88	12.38	7.88	289	.25	.48	- 47.9	11.6	.00	.0	.....	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas ..... O	2.00	.00	.0	2.38	2.00	2.38	2.00	0	.00	.08	-100.0	NE	.00	.0	.....	3 mos.	03-85	3.2	23.1	(.2)	NE	(.15)	NE	3.2	23.1	(.2)	NE	(.15)	NE
TCBY Entrprs ..... M	20.00	.13	.6	20.25	19.38	23.75	4.09	1,061	2.43	4.60	- 47.2	55.6	.00	.0	.....	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld ..... N	36.88	- 1.50	- 3.9	38.38	36.50	41.13	28.25	6,749	1.90	1.62	17.3	12.3	.48	1.3	.....	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	4.3	47.1	- 4.3	1.19	- 9.8
USACafes ..... M	5.50	.13	2.3	5.63	5.13	6.00	3.25	962	1.53	3.24	- 52.8	15.7	.28	5.1	.....	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants ..... M	17.50	.88	5.3	17.63	15.63	28.25	13.25	5,660	6.72	4.66	44.2	15.6	.12	.7	.....	9 mos.	07-85	93.9	39.3	3.1	14.8	.33	- 19.5	286.4	85.5	5.9	1.7	.67	- 23.0
Victoria Stations ..... M	1.38	- .25	- 15.4	1.75	1.25	4.38	1.25	1,190	2.62	2.05	27.8	NE	.00	.0	.....	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl ..... N	15.00	- .13	- .8	15.25	14.50	19.13	12.19	7,604	1.04	1.35	- 23.0	15.0	.21	1.4	.....	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer ..... M	11.63	.00	.0	12.00	11.00	14.00	9.00	23	.19	.46	- 58.7	14.4	.20	1.7	.....	6 mos.	08-85	11.8	14.6	.4	300.0	.27	285.7	23.2	17.2	.7	75.0	.54	63.6
Winners Cp ..... N	6.75	1.13	20.0	6.75	5.75	8.75	5.13	1,663	4.16	1.26	230.2	NM	.00	.0	.....	6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp ..... N	1.25	.00	.0	1.38	1.00	5.13	1.00	2,345	1.66	.77	115.6	NE	.10	8.0	.....	6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels ..... N	66.50	9.25	16.2	67.38	56.63	73.50	51.50	8,286	3.35	1.00	235.0	14.0	1.80	2.7	.....	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp ..... N	53.13	2.63	5.2	53.25	50.00	58.13	36.50	4,577	1.68	1.93	- 13.0	12.6	1.00	1.9	.....	6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn ..... N	34.00	1.75	5.4	34.75	32.13	36.75	16.50	1,142	.59	1.23	- 52.0	26.6	.09	.3	.....	fiscal	06-85	126.9	474.2	7.7	67.4	.39	62.5	304.5	320.0	25.0	44.5	1.28	42.2
Ramada Inns ..... N	7.63	- .13	- 1.6	8.00	7.38	9.50	5.13	7,160	1.92	3.57	- 46.2	54.5	.00	.0	.....	6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	- 1.3	1.0	25.0	.03	50.0
Servico Inc ..... M	20.00	.50	2.6	20.00	19.25	21.38	13.44	57	.16	.23	- 30.4	10.0	.00a	.0	.....	6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl ..... M	23.00	.00	.0	25.50	23.00	27.00	18.50	0	.00	.07	-100.0	7.1	.40	1.7	.....	6 mos.	06-85	20.9	- 6.7	1.8	- 14.3	1.65	19.6	32.9	- 9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev ..... M	17.00	.38	2.3	17.00	15.00	22.63	15.00	1,479	2.45	1.89	29.6	1.6	.40	2.4	.....	3 mos.	06-85	225.3	88.9	69.9	3395.0	11.20	3400.0	225.3	88.9	69.9	3395.0	11.20	3400.0
Arden Intl ..... O	2.88	.00	.0	3.13	2.88	2.88	1.13	181	.77	.63	22.2	NE	.00	.0	.....	6 mos.	06-85	1.4	- 58.8	.0	NE	.01	NE	4.9	- 22.2	(.1)	NE	(.03)	NE
Ch Full O Nut ..... N	8.50	- .13	- 1.4	8.88	8.38	11.41	7.03	46	.09	.53	- 83.0	NM	.00a	.0	.....	fiscal	07-85	30.7	.7	(.4)	NE	(.08)	NE	117.8	.3	.0	- 100.0	.01	- 93.8
Disney, Walt ..... N	88.50	3.00	3.5	88.50	85.25	95.00	56.25	5,082	1.54	1.39	10.8	50.0	1.20	1.4	.....	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills ..... N	63.25	.25	.4	63.88	60.75	65.25	47.75	9,800	2.21	1.51	46.4	41.3	2.24	3.5		3 mos.	08-85	1067.9	- 23.0	48.9	- 9.6	1.10	- 8.3	1067.9	- 23.0	48.9	- 9.6	1.10	- 8.3
Grace W R ..... N	39.38	.50	1.3	39.50	38.00	45.00	38.00	1,884	.39	.84	- 53.6	11.4	2.80	7.1	.....	6 mos.	06-85	1908.8	9.6	41.4	- 28.0	.83	- 29.7	3488.8	7.7	76.9	- 25.6	1.55	- 26.9
Horn & Hardart ..... A	7.00	.38	5.7	7.00	6.25	12.00	6.25	1,893	1.55	.99	56.6	NM	.00a	.0	.....	6 mos.	06-85	91.3	- 2.6	(1.7)	- 100.0	(.15)	- 100.0	173.6	- 3.6	(1.7)	- 100.0	(.16)	- 100.0
Ogden Corp ..... N	30.00	- .25	- .8	31.00	29.75	34.25	24.38	1,685	.88	.89	- 1.1	17.2	1.80	6.0	.....	6 mos.	06-85	NC	NC	5.4	- 53.0	.27	- 55.0	502.3	- 53.8	17.4	- 25.0	.90	- 25.6
PepsiCo Inc ..... N	63.63	4.00	6.7	63.75	59.25	63.75	39.88	18,712	1.99	1.27	56.7	11.5	1.78	2.8	.....	6 mos.	06-85	1880.8	- .3	256.3	174.1	2.68	173.5	3564.4	2.1	319.1	126.8	3.34	125.7
Pillsbury Co ..... N	61.00	1.00	1.7	63.38	59.50	63.50	38.75	5,674	1.31	1.54	- 14.9	13.8	1.72	2.8	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	1.09	.9	4670.6	11.9	191.8	13.0	4.42	13.0
Restec ..... O	3.25	- .25	- 7.1	4.00	3.25	4.50	3.25	14	.08	.05	60.0	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Reynolds, RJ ..... N	25.75	- .63	- 2.4	26.38	25.13	35.00	25.13	25,542	1.01	.98	3.1	8.0	1.40	5.4	.....	6 mos.	06-85	3404.0	31.0	228.0	- 14.3	.86	- 3.4	6302.0	34.4	410.0	- 5.1	1.52	7.0
Vie de France ..... M	7.50	- 1.38	- 15.5	8.50	7.38	14.13	7.38	877	.81	.66	22.7	14.4	.23	3.1	.....	fiscal	06-85	14.6	- 2.0	1.1	- 38.9	.10	- 41.2	63.1	14.3	5.6	- 5.1	.52	- 10.3

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NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.

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NEWSPAPER

Food service the family way

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NRA pumps up PAC war chest

Goals set high/Page 20

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"This is a time of turmoil."

—Mark A. Levy

"Change will be the key word in the next year."

—William Baumhauer

"There's a war going on."

—Jim McLamore

"The pie is not getting any bigger."

—Robert Barney

"Today's dullness in sales could last through next spring."

—Jim Peterson

Operators are in for the "lesson of their lives."

—James Collins

Shakeout looms, MUFSO panelists warn

Competition escalates into war for survival

By Rick Telberg

ORLANDO, Fla. — A desperate fight for customers in the food-service industry is escalating into an all-out survival battle, a panel of leading chain chief executives warned at *Nation's Restaurant News'* annual Multi-Unit Food-Service Operators (MUFSO) conference.

"We're going to see a shakeout in this industry like we've never seen before," Wendy's chairman Robert L. Barney told 1,100 operators and suppliers at the Hyatt Regency Grand Cypress.

"Parts of this business are saturated," he declared, "and the pie is not getting any bigger, so [chains] will have to be satisfied with a smaller piece each."

"There's a war going on," asserted Burger King cofounder Jim McLamore. He noted "a tone of despair through the discussions" of operators.

Members of the President's Panel agreed the nation's economic sluggishness and political uncertainties were slowing consumer spending in the food-service industry.

In a separate address earlier in the conference, Frank Carney, Pizza Hut cofounder and now Flakey Jake's chairman, said the industry "is in a down cycle," which he linked,

*(See **MUFSO**, page 55)*

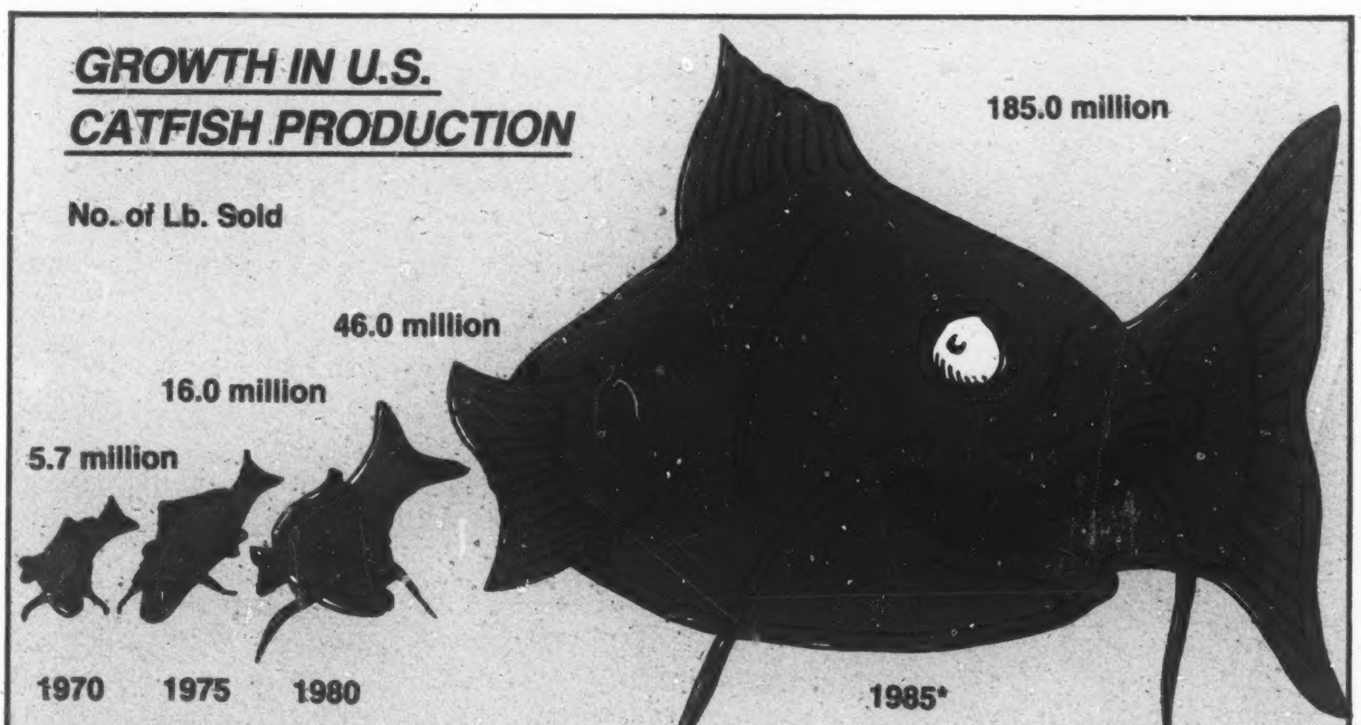
Catfish gains in popularity

1985 sales could hit 185 million pounds

By Dave Zuckerman

Catfish may not win any beauty contests, but they have become increasingly attractive to food-service operators across America, who are rapidly discovering what those along the Mississippi Delta have known all along.

"The quality of the product is just plain good," proclaimed Hugh Purnell, president of the Catfish Farmers of America, a Jackson, Miss.-based organization.



Source: Catfish Farmers of America

Those catfish, it should be noted, are only distant cousins to the ugly scavengers that can still be pulled from murky Southern waters. Though hardly more comely, they are grain-fed and carefully raised in 20-acre ponds.

"Very few other varieties of fish are readily available to all sections of the country all year," Purnell said. "With the current diet trend toward seafood, demand for farm-raised, grain-fed catfish has undergone tremendous growth in recent years. The business is now in excess of a couple of hundred million dollars per year."

*(See **CATFISH**, page 9)*

Jenkins quits as S&A chief

Will run Marriott's Big Boy operation

By David Zuckerman

DALLAS — J. Michael Jenkins has resigned as S&A Restaurant Corp. chairman and chief executive and accepted a position as executive vice president and general manager of Marriott's 868-unit Big Boy chain.

Jenkins

He is replaced by recently named S & A president Kyle Craig Jr., who assumes the title of chief executive while he maintains his current standing as president and chief operating officer. The chairman's post will remain vacant at this time, a spokesman said.

Jenkins, 39, a 15-year veteran of Pillsbury's S & A Restaurants, was named chief executive when Hal W. Smith resigned in 1984 and chairman earlier this year. Jenkins fills a vacancy at Big Boy that was created when Edward W. Doherty left to become a Connecticut-area franchisee of Marriott's Roy Rogers fast-food chain.

For the 38-year-old Craig, who now

*(See **JENKINS**, page 50)*

1,000 more 7-Elevens to add deli service

By Mark Schoifet

ORLANDO, Fla. — 7-Eleven is expanding its deli-sandwich program into 1,000 more convenience stores in 1986, a company executive said.

Richard P. Reinhard Jr., food-service manager for the Southland Corp., 7-Eleven's parent company, also said the chain is considering the development or acquisition of a "theme concept" to enhance its food-service operation.

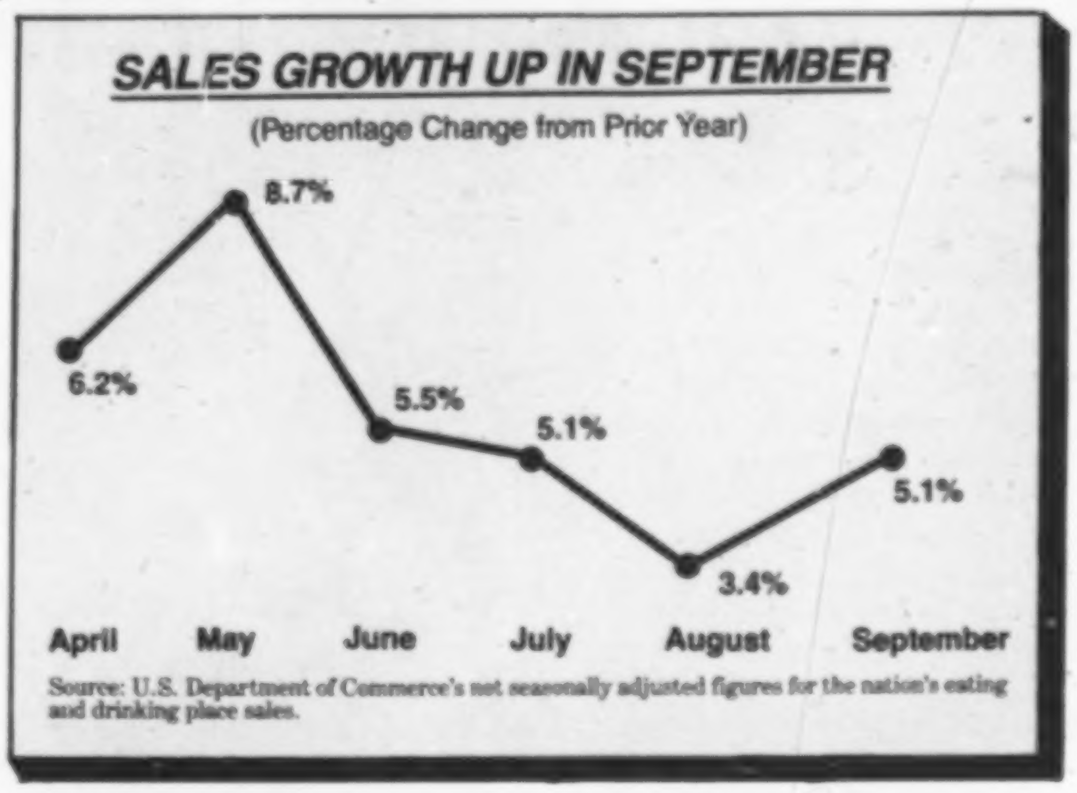
Fast food "represents 7-Eleven's greatest area of opportunity," Reinhard told a workshop panel audience at the Multi-Unit Food Service Operators conference here.

Reinhard's disclosure that 7-Eleven recorded $900 million in food-service sales last year marked the first time a Southland executive has broken out that portion of the 8,000-unit chain's systemwide sales.

In previous years Southland grouped fast food in a broad category that included canned soda, snacks and other items. Reinhard described 7-Eleven's fast-food category as fountain beverages—the largest element—Slurpees (a proprietary frozen drink), hotdogs, deli sandwiches, nachos and microwave products.

*(See **7-ELEVEN**, page 50)*

Industry sales climb 5.1% in September



Source: U.S. Department of Commerce's not seasonally adjusted figures for the nation's eating and drinking place sales.

WASHINGTON — Despite a 5.1% year-to-year increase in sales in the nation's eating and drinking places in September, a 50% gain over August's increase, most analysts believe the industry is still in a slump.

According to the U.S. Department of Commerce's advance figures, unadjusted for seasonal differences, eating and drinking sales were $11.074 billion in September.

"I don't think you can get excited about it," said Charles Glovsky, an analyst with Alex. Brown & Sons. "I don't see the light at the end of the tunnel yet."

An inflation rate in the 3%-to 4% range means that September's real growth in sales was only between 1% and 2%.

Reasons given by analysts for the softness in industry sales included increased competition among chains and independents, weakness in the general economy, lack of consumer discretionary income, a rise in prices of food eaten away from home and even AIDS (acquired immune deficiency syndrome).

Many analysts believe consumers are spending money on hard goods, such as automobiles, because of the availability of better financing and thus have less money for smaller purchases, such as restaurant meals.

In Glovsky's view, however, that is only a short-term factor that does not explain the softness that has persisted throughout the year. More important, he said, are increased competition and the rise in menu prices.

He also believes that the AIDS epidemic is shaping up as a "major issue" for the industry, because many consumers apparently think they can contract the fatal disease through food handling. Medical authorities have said that is highly unlikely.

Michael Esposito, an analyst with Oppenheimer & Co., said soft sales "seem to be a function of the general economy. There is clearly a weakness. There's a consumer spending issue that wasn't there a year ago."

He said it would be "another couple of quarters before the trend was reversed."

The Commerce Department, in its seasonally adjusted figures, reported that eating and drinking place sales went up 2.1% from August to September, following a 0.3% decline from July to August.

Glovsky said that Alex. Brown's own figures showed that the real sales growth rate has been falling since May. An informal list of about two dozen food-service companies drawn up by Alex. Brown indicated that chains doing poorly outnumbered good performers 3 to 1. Traffic counts are down at many chains.

"You have to have something special going for you," Glovsky said. He cited Sizzler, Ryan's and Pizza Hut as chains that have bucked this year's negative trend through new products or unit remodelings.

Former Levy staffers open Chicago Lloyd's

Trio chooses Loop high rise for site

By Carolyn Walkup

CHICAGO — Three former Levy Organization employees have defected to open their own restaurant.

With considerable experience in opening successful restaurants in downtown office buildings and shopping centers, the trior chose for their venture a shiny, new Loop high rise that houses the Hyatt Corp.'s international headquarters.

Called Lloyd's, the street-level 200-seat restaurant features design elements of Frank Lloyd Wright's Prairie School of Architecture, such as wrought-iron railings in geometric patterns.

Sam Berngard, 33, Larry Huber, 25, and chef Eak Prukpitikul have geared their restaurant, owned as a limited partnership with others, toward the downtown lunch crowd. After 17 years in the restaurant business, Berngard "decided it was time to do one of my own or get out of this crazy business. But I love it—it's in my blood.

"We want to get up to the $3 million level," Berngard added. "We have a long way to go."

Although the restaurant is open for all three meals, Berngard described dinner business as "very slow. We feel we can do very well with breakfast, lunch, carryout and catering."

The carryout section, with

*(See **LLOYD'S**, page 44)*

NRN Photo

View of Lloyd's bar from upper-level private dining area.

McLamore named MUFSO Pioneer of the Year

(Continued from page 1)

Harlan Sanders of Kentucky Fried Chicken, Ray Kroc of McDonald's, J. Williard Marriott Sr. of Marriott Corp. and Alex Schoenbaum of Shoney's.

In an interview after the banquet, McLamore said he realized he was at the forefront of an industry revolution 30 years ago.

"There was no such thing as self-service at that time," he said. "That was the era of the car hops. In fact, we initially called our restaurants 'self-service drive-ins.' That used to make the early Burger King customers quite nervous. They'd part with their money with nothing to show for it. So we addressed ourselves to the idea of speed."

Edgerton had acquired the Miami-area rights to a Jacksonville, Fla., concept called Insta/Burger King when McLamore joined the venture. The pair built three additional Insta/Burger King restaurants and experienced some rough going at the beginning.

"Expansion was rather slow at first," McLamore recalled. "There were several reasons. One of them was that we were not very successful. We had financial losses for the first few years when we were just getting established. It was not a record to sell franchises on.

"We were also the first company in America to require franchisees to contribute advertising fees in addition to royalties. That made it tough to sell franchises. But I think it was a step toward making Burger King the strong company it is today and the second-largest advertiser in the industry."

It was in 1957 that McLamore had an inspiration that would change the history of the company for at least the next 28 years. While traveling through Gainesville, Fla., to check on a new restaurant—then called just Burger King—McLamore conceived the idea of the Whopper. To this day the Whopper remains Burger King's signature brand and its best-selling menu item.

"We had just opened a Burger King there, and it was doing no business," McLamore said. "There was a Whataburger nearby, and it was doing a lot of business. They offered the bigger hamburger; I was impressed with the size. So I started fooling around with the quarter-pound pattie and the lettuce and tomato—and that was it. I put it on the menu and it changed the fortunes of the company overnight."

As chairman emeritus of Burger King, McLamore was "very much a part of the whole process" earlier this year when Burger King increased the size of the Whopper.

The first Burger King outside of Florida opened in December 1961 in Wilmington, Del., McLamore's hometown. All the non-Florida units were franchises because "we had neither the money nor the management to do everything ourselves," McLamore said.

By 1967 Burger King had grown to 275 restaurants. McLamore and Edgerton knew they would have to go public or merge with a larger company. Pillsbury, whose food-products division was slipping, purchased the chain and entered the fast-food service business.

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Padding Baileys supplement hand inserted between pages 2 and 3.

Vol. 19, No. 44 October 28, 1985

Chefs of fine restaurants have pouch cooking in the bag

Currents In Cuisine

Florence Fabricant

Of all the columns I have written in the past year, none has elicited as much response from readers as the one that appeared last March. It described a revolutionary method of food preparation. Haute cuisine in a vacuum-sealed plastic pouch is beginning to have an impact.

An operator in Yakima, Wash., called recently to ask about the technique. He was interested in packaging his restaurant's barbecued pork tenderloin for sale to other restaurants or to the retail trade. Several other operators were interested enough to ask for the name and telephone number of the outfit in Vermont that has been working extensively with the method for use in catering (both home and professional), restaurants and the retail market.

Bloomingdale's department store in Manhattan has just inaugurated a retail shop for Gerard's Haute Cuisine of Fairfax, Vermont (phone: 802-849-6141), installing it in the area previously occupied by the Michel Guérard catering shop. Alan Reyburn, head of the store's restaurant operations and an early enthusiast of the process, is making increasing use of it. When a black-tie party for 1,700 guests was given early in September to kick off the Ecco l'Italia promotion, much of the food served came from plastic pouches. The guests never suspected.

Recently, Gerard Rubaud and the group of five chefs (known as "Les Cinq Chefs") who work with him on a more or less regular basis, came to Manhattan to demonstrate the technique. Along with Patrick Grangien, the executive chef of Gerard's Haute Cuisine, the visiting chefs included Michel Rostang, from the two-star restaurant bearing his name in Paris, Jean Paul Lacombe from Léon de Lyon (two stars), Michel Chabran from the two-star Restaurant Chabran and Yan Jacquot from Le Toit de Passy (one star). A tasting luncheon was held in the kitchen of the Hotel Pierre, and among those in attendance were Barry Wine of the Quilted Giraffe; Sirio Maccioni of Le Cirque; Jane Freiman, a restaurant consultant and writer; a number of other food writers; and executives from the Hotel Pierre.

The luncheon began with slices of fresh foie gras en terrine, the item for which the method was originally developed. It became immediately evident that a good pair of scissors was as essential as a battery of well-sharpened knives for those chefs as they carefully slit open the pouches to plate the food. Even the toast served with the foie gras was pouched. Popping it briefly into boiling water warmed it. "The pouch goes in the water and is airtight, so nothing gets wet," Grangien explained. "It works for certain kinds of pastry as well."

Several main courses were offered, and the group of about 15 happily traded tastes. Plates of lotte in saffron sauce, Dover sole with a vegetable sauce, turbot (imported) in fresh tomato sauce, salmon in cream sauce with baby vegetables and breast of chicken stuffed with foie gras and sliced into medallions with noodles on the side were served. The sole and turbot were billed as low-calorie dishes, virtually fat-free.

Because the flavors of the food are extremely fresh and vibrant, thanks to the method that removes oxygen, thus locking in the flavor, the pouch system is excellent for low-calorie or reduced salt preparations. Generally speaking, the preparation is commendable, correct but short of thrilling. Any number of ambitious restaurants across the country would improve their menus by replacing some house specialties with those items. The dishes are high quality and extremely attractive. The basics are contained in one or more portion-sized pouches (sauces and garnishes are usually pouched separately), and the actual plating and presentation is up to the server.

As the method is being applied at present, it involves top-of-the-line ingredients and preparation. It is not a mass-market product. It was also obvious that all the kinks have not been worked out. For example, the center of some of the slices of turbot were nearly raw, and some sauces might be a shade salty for the current American palate.

When it came to some of the questions posed by the guests, Rubaud and his crew were rather evasive. The most frequent inquiry has to do with the sauces, notably how they retained their perfect homogenization throughout the period of refrigeration, heating and plating. "We have our little tricks" was all the chefs would say. Rubaud explained that he holds no patents on the method and was unwilling to reveal some of the details. He also indicated that some of the equipment was adapted from machinery used in the jewelry business. He did say that in certain instances he could replace the oxygen removed from the pouch during the sealing with inert nitrogen gas.

It should be repeated that food prepared in that manner affords tremendous convenience to the operator of a restaurant or catering establishment, since the final service involves a simple reheating, plating and garnish. Large staffs of highly trained personnel are unnecessary provided that there is proper supervision.

Charity events and the like, which may take place in makeshift facilities, are particularly suited for pouch preparation. Food thus prepared has an excellent shelf life—several days at least—without the damaging effects that result from contact with oxygen. But the method does not involve freezing or frozen food preparation.

Sales rise as operators catch on to the popularity of catfish

(Continued from page 1)

With the bulk of production in Mississippi, the United States now boasts about 100,000 acres of active catfish ponds. By the end of 1985, Purnell estimated, annual sales could hit 185 million lb. or approximately 10 times the figure for 1975. Only 15 years ago, when the catfish farming industry was still in its infancy, less than 6 million lb. were sold.

But while growth has been impressive, continuing at about a 25%-per-year pace, the catfish remains a relative mystery to most American consumers outside the South. Where chains like Natchez, Miss.-based Cock of the Walk—with all of its 16 units in the deep South—have successfully marketed catfish to a knowledgeable customer base, the product has barely scratched the surface in other regions.

"We are where the chicken industry was 15 years ago," explained Mark R. Engelhardt, director of marketing for Farm Fresh, a Hollandale, Miss.-based catfish producer and processor that is a subsidiary of Hormel. "The catfish industry is only 15 years old, and I believe that we are just now breaking into our own. Fish is the last meat protein item that has not been thoroughly addressed by the restaurant industry."

Leading the way in spreading the catfish message, Engelhardt and others agree, has been San Antonio-based Church's, the 1,605-unit fried chicken chain that now offers catfish in all of its 1,332 company stores nationwide and several of its franchised outlets. In fact, according to catfish suppliers, Church's now buys some 25% to 30% of all catfish produced in the United States.

"The big thing was we had to get catfish into consumers' mouths and get the negative image out of their minds," Engelhardt said. "Church's has introduced catfish to lots of people and helped create a demand in other restaurants as well as in supermarkets."

For Church's, catfish has represented a lucrative menu addition, accounting for up to 10% of sales since it was rolled out chainwide earlier this year, according to industry estimates. Backed by a $6 million media blitz, Church's has successfully transcended much of the regional bias traditionally associated with the product.

"The big thing has been educating the consumer," said Kay Richardson, a Church's spokesman. "From the very onset of our catfish program, we have been stressing in our advertising the farm-raised, grain-fed message."

Customer response, Richardson added, has been so strong that Church's recently increased the portion size of its three catfish orders, all consisting of deep-fried strips (cut up fillets), which are slightly less than 1 oz. in weight and 2½ in. to 3 in. long. The Catfish Snack ($2.19) now offers four pieces, the Catfish Plate ($3.89), seven pieces, and the Catfish Family Order ($7.69), 17 pieces of catfish. Side items like french fries, hush puppies and jalapeño peppers are included.

On the heels of Church's success, other fast feeders have begun to introduce catfish on a test basis. Lexington, Ky.-based Jerrico has added the product at about 180 of its 1,350 Long John Silver's outlets and will likely add catfish to another 180 stores in the immediate future. According to industry analysts, catfish has been accounting for 4% to 5% of sales where it is available, despite a relatively high price point ($3.69-$3.79). Catfish has also begun to appear on the menu at Sisters Chicken & Biscuits, the Westerville, Ohio-based subsidiary of Wendy's International.

> *'On the heels of Church's catfish success, other fast feeders have begun to test the product.'*

"The catfish industry has realized massive indirect benefits from introduction by chains like Church's and Long John Silver's in terms of advertising and marketing exposure," Hugh Purnell said. "In the South most people still eat catfish fried, but other preparations—broiled, grilled, etc.—are becoming increasingly popular."

At Orlando, Fla.-based Red Lobster, for example, catfish has been on the menu at most of the chain's 370 units since 1977, according to a spokesman. The product, which is offered in 5-oz. and 8-oz. portions (fillets), may be mesquite-grilled, broiled or fried "depending on the discretion of the restaurant's general manager," the spokesman said.

And Cajun restaurants, which have spread from Louisiana to virtually all corners of the United States in recent years, have introduced a wide range of catfish preparations, including a pan-blackened version similar to the blackened redfish popularized by New Orleans restaurateur Paul Prudhomme. Wok and Roll, a Chinese restaurant in New York, offers sweet and sour catfish.

Among the first restaurant chains outside the South to offer catfish was Columbus, Ohio-based Bob Evans Farms, which introduced the product more than two years ago to boost dinner sales, according to marketing vice president Roger Williams. With stores in seven Midwestern states (plus Georgia and Florida), the 133-unit regional family restaurant chain serves lightly breaded, deep-fried fillets in 3-oz. portions ($1.80 à la carte). A catfish dinner that includes two 3-oz. fillets plus bread and side dishes ($5.95) is also available.

"We have been very pleased with catfish sales," Williams said. "But catfish is getting more and more difficult because everybody is jumping in. For us, there is now an availability problem."

Not to worry. Some 9,000 acres of catfish ponds will be added in 1985 with the capability of producing 4,000 to 5,000 lb. of fish per acre, according to Mark Engelhardt. "It takes only one and a half to two years from the time you dig a pond to produce a mature fish," he said. "This means we can react very quickly to increased demand. And there are now rumors that several large companies are looking to diversify into the catfish-raising business."

NRN Index climbs 1.9 to 122.1, losers outpace gainers

NEW YORK — Takeover speculation played a part in fueling the *Nation's Restaurant News* Food Service Operators Index's 1.9-point rise to 122.1, in the week ended Oct. 18.

But takeover speculation was the only factor in moving the Dow Jones Industrials Average up 28.90 points in the same week, to 1,368.84, while all other gauges of the broader market remained below their levels of three months ago.

On the full 113-issue *NRN* listing, 46 stocks lost money, 37 gained and 30 were unchanged.

Collins Foods, Wendy's International and Church's Fried Chicken were the subject of buyout rumors during the week. All three made the Top Ten Gainers' list.

Collins gained $1.75, to close at $14.88 per share. Wendy's was up $1.63, to $16.63. A misprint in some stock tables overstated Wendy's gain by $1. And Church's rose $1.63, to $16.88.

William Trafner of Merrill Lynch attributed the gains to "the spreading of this takeover speculation in the market at large to some restaurants."

In other action, Mr. Steak led the Volume Trend Leaders' list, surging 537% ahead of the previous 12-week average turnover and closing down 13¢, to 88¢.

El Torito dropped $1.38, to $10.25, after reporting a quarter of sluggish sales. Maverick Restaurants led the price-losers' list, falling 75¢, to $1.63. Nankin Express topped the gainers' list, up 3¢, to 13¢.

International Dairy Queen gained a hefty $12.50, to $85, a yearlong high in trading 154% heavier than normal.

Among the most widely held stocks: McDonald's lost $1.75, to $63.88. Carrols unchanged at $7. Marriott, up $3, to $91.38. Saga, up 63¢, to $22.88. T.G.I. Friday's, unchanged at $8. Transworld unbudged at $36.88.

VOLUME TREND LEADERS

(Volume Trend Change, in %)

Mr Steak	O	537.3	Sizzler Rest Intl	M	165.2
Skippers	M	357.9	El Torito Rest	N	162.2
Peo Restaurants	M	288.2	Intl Dairy Queen	O	153.8
Kapok Cp	A	179.8	Hilton Hotels	N	147.1
A&M Food Svcs	M	166.9	Nankin Express	O	140.2

TOP TEN GAINERS

(Weekly Price Change, in %)

Nankin Express	O	33.3	SIS Cp	M	15.8
Kapok Cp	A	23.1	Collins Foods	N	13.3
Stuff Yer Face	O	20.0	Skippers	M	11.8
Victoria Stations	M	18.2	Wendys Intl	N	10.8
Intl Dairy Queen	O	17.2	Churchs Fr Ch	N	10.7

TOP TEN LOSERS

(Weekly Price Change, in %)

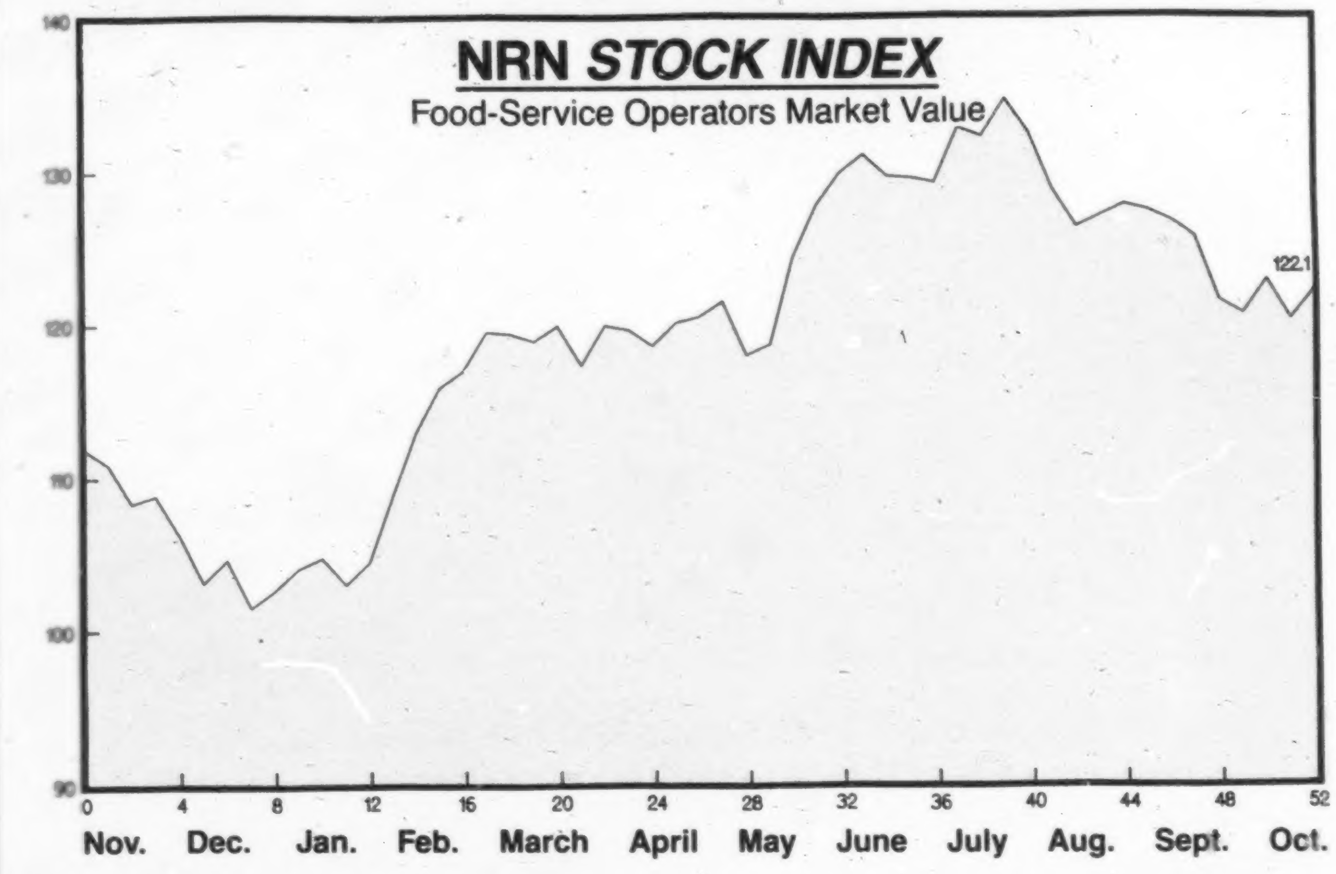
Maverick Rest	M	-31.6	JB Restaurant	M	-14.0
Primo Inc	O	-21.4	Concept Dev	M	-13.7
Brock Hotel Cp	N	-20.0	Mr Steak	O	-12.5
Peo Restaurants	M	-14.3	El Torito Rest	N	-11.8
Lifestyle Rest	A	-14.3	Fast Food Oper	O	-11.1

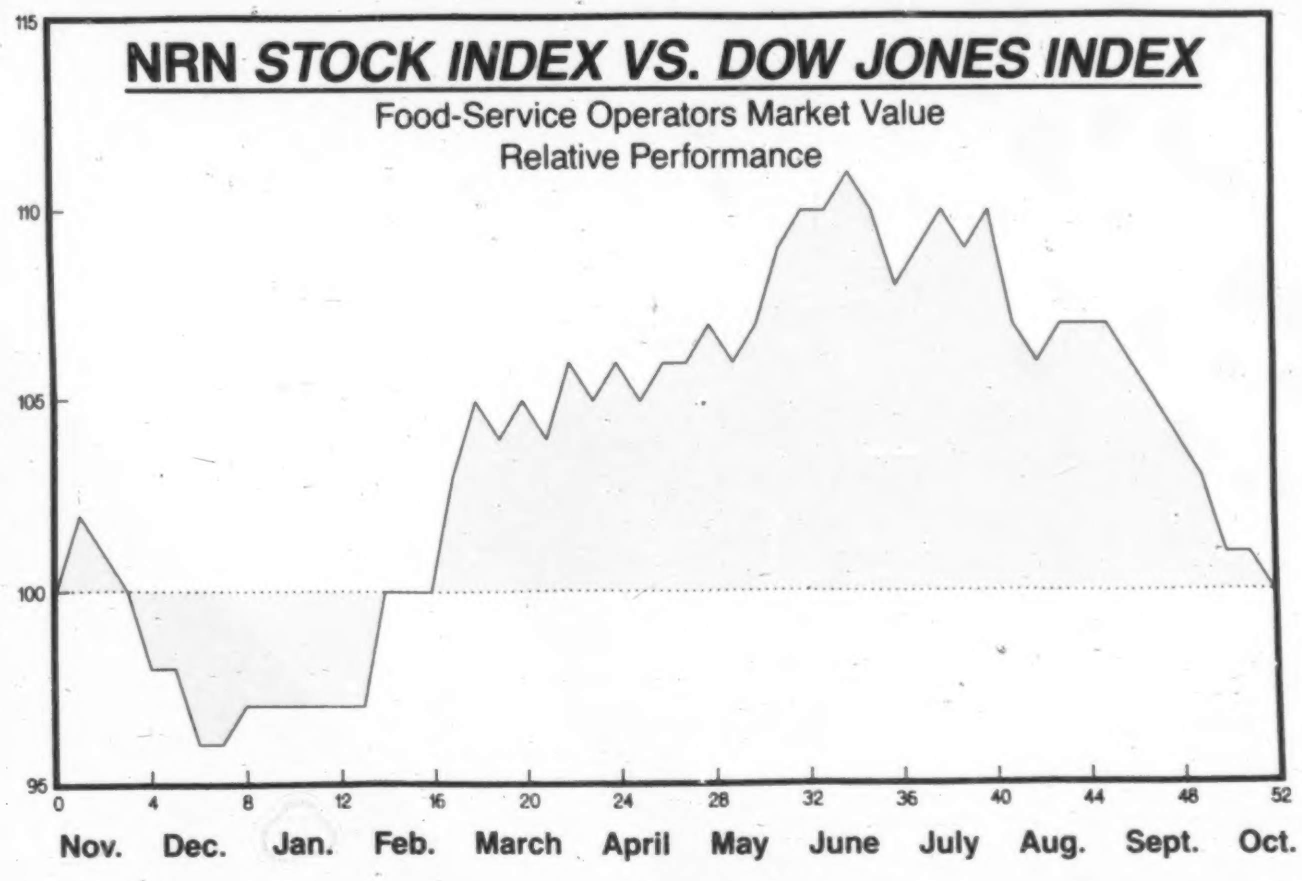
Stock Market

	Price							Volume			
	10-18-85	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend
Company and Market	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change
-	$	$	%	$	$	$	$	(100)	%	%	%
Food-Service Operators											
A&M Food Svcs M	7.75	.63	8.8	7.75	7.13	8.00	3.50	1,152	3.23	1.21	166.9
Acapulco Rests M	4.50	-.13	-2.7	4.50	4.38	5.38	3.50	33	.13	.42	-69.0
Am Restaurants M	3.75	.25	7.1	3.75	3.50	4.50	2.38	52	.23	.34	-32.4
Assoc Hosts M	12.88	-1.38	-9.6	13.75	12.25	15.75	10.75	2,037	4.60	4.11	11.9
Benihana Natl M	12.88	-.13	-1.0	13.75	12.13	21.75	12.13	2,008	6.74	3.64	85.2
Bob Evans Farms M	21.25	.00	.0	21.25	20.25	22.75	15.69	782	.44	.74	-40.5
Calibre Cp M	1.88	.00	.0	2.13	1.88	4.25	.63	225	.74	.47	57.4
Calny Food M	13.38	.00	.0	13.75	13.13	15.13	8.13	422	.93	4.05	-77.0
Capt Crab M	1.00	.00	.0	1.00	0.94	2.63	.88	1,625	1.06	.81	30.9
Carrols Cp N	7.00	.00	.0	7.25	7.00	11.50	6.50	268	.34	.58	-41.4
Chefs Intl O	.56	.00	.0	0.63	0.56	.88	.38	970	.50	.53	-5.7
Chi-Chi's M	9.25	.38	4.2	9.50	8.88	14.50	8.50	6,442	2.38	2.28	4.4
Chili's Inc M	21.25	.38	1.8	22.13	20.88	28.88	19.00	4,100	8.82	7.50	17.6
Churchs Fr Ch N	16.88	1.63	10.7	17.88	14.50	20.25	13.69	12,484	3.31	3.30	.3
Collins Foods N	14.88	1.75	13.3	15.00	12.88	16.69	9.09	4,424	2.24	.99	126.3
Concept Dev M	7.88	-1.25	-13.7	8.63	7.75	16.75	5.75	462	.89	2.60	-65.8
Consol Prdts M	3.25	.00	.0	3.38	3.25	5.38	3.13	97	.30	.35	-14.3
Consul Restaurant M	2.00	-.13	-5.9	2.00	1.63	7.75	1.63	2,134	4.69	2.30	103.9
Cracker Barrel M	11.00	.00	.0	11.75	10.75	16.75	10.25	919	2.58	1.25	106.4
Cucos Inc O	7.00	.00	.0	7.75	7.00	7.00	2.75	57	.33	.78	-57.7
DLites Of Amer M	6.63	-.75	-10.2	7.50	6.63	15.50	6.38	2,562	5.03	3.73	34.9
Dunkin Donuts M	23.63	.88	3.8	23.63	23.00	25.38	14.84	1,159	1.61	1.59	1.3
El Chico M	10.00	.63	6.7	10.13	9.13	12.50	7.25	392	.84	1.52	-44.7
El Pollo Asa O	5.25	.13	2.4	5.50	5.13	6.34	1.84	776	4.60	3.79	21.4
El Torito Rest N	10.25	-1.38	-11.8	10.38	9.25	19.25	9.25	4,551	4.09	1.56	162.2
Famous Rest M	1.50	-.06	-4.0	1.50	1.38	3.75	1.38	892	1.49	1.06	40.6
Fast Food Oper O	.50	-.06	-11.1	0.63	0.50	1.31	.50	143	.24	.26	-7.7
Flakey Jakes M	2.25	.13	5.9	2.38	2.00	8.25	2.00	789	1.14	3.39	-66.4
Folks Rest O	1.50	.00	.0	2.50	1.50	7.38	1.50	9	.06	.12	-50.0
Frisch's A	21.63	-1.00	-4.4	22.38	21.25	26.00	14.50	117	.27	.18	50.0
Fuddruckers Inc M	5.00	-.38	-7.0	5.50	4.63	14.00	4.88	4,001	5.92	3.25	82.2
Good Taco O	.25	.00	.0	0.31	0.25	2.63	.25	112	.38	.59	-35.6
Hambrg Hamlet O	14.50	.00	.0	15.25	14.50	15.25	10.50	25	.35	.25	40.0
Hungry Tiger M	5.50	-.13	-2.2	5.63	5.50	6.25	3.63	389	1.34	2.11	-36.5
Intl Dairy Queen O	85.00	12.50	17.2	89.00	73.00	85.00	40.00	65	.33	.13	153.8
Intl King Tab M	17.25	-.50	-2.8	17.75	17.25	24.75	14.88	765	2.66	1.83	45.4
JB Restaurant M	9.25	-1.50	-14.0	9.88	9.13	15.50	9.13	2,355	5.10	3.07	66.1
Jerrico Inc M	20.63	-.88	-4.1	21.50	20.50	23.25	14.25	4,677	2.95	4.73	-37.6
Kapok Cp A	4.00	.75	23.1	4.25	3.00	4.38	1.50	573	2.35	.84	179.8
Karcher Carl M	15.50	-.25	-1.6	15.88	15.25	21.50	13.50	1,105	1.56	1.25	24.8
Lifestyle Rest A	1.50	-.25	-14.3	1.75	1.50	3.00	1.50	343	.60	.34	76.5
Luby's Cafe N	35.25	1.25	3.7	35.75	33.50	37.38	26.38	788	.65	.30	116.7
Marcus Corp M	15.88	-1.13	-6.6	17.00	15.88	19.38	13.88	103	.20	.23	-13.0
Marriott Corp N	91.38	3.00	3.4	92.25	88.25	100.00	70.00	3,516	1.35	.68	98.5
Maverick Rest M	1.63	-.75	-31.6	2.25	1.63	5.63	1.50	133	.27	.22	22.7
Max & Erma's O	1.63	-.13	-7.1	2.00	1.63	4.75	1.63	66	.37	.18	105.6
McDonald's Cp N	63.88	-1.75	-2.7	66.75	63.50	70.00	50.00	7,665	.89	1.03	-13.6
McFaddin Ventures M	9.50	-.50	-5.0	10.00	9.13	11.88	9.13	74	.14	.33	-57.6
Morrison Inc M	18.38	.25	1.4	18.38	18.13	21.88	15.50	1,128	.82	.87	-5.7
Mr Steak O	.88	-.13	-12.5	1.13	0.88	3.13	.88	5,067	10.58	1.66	537.3
Nankin Express O	.13	.03	33.3	0.19	0.09	2.13	.09	578	2.57	1.07	140.2
Nathans M	3.75	.00	.0	3.75	3.50	4.50	2.00	54	.24	.84	-71.4
Natl Pizza M	12.00	.13	1.1	12.00	11.75	12.88	7.50	17	.03	.60	-95.0
Naugles Inc M	2.25	-.19	-7.7	2.50	2.00	8.88	2.25	1,851	4.18	3.57	17.1
Noble Roman O	6.75	.00	.0	7.50	6.75	8.50	6.25	6	.05	.17	-70.6
1 Potato 2 O	.38	.00	.0	0.50	0.38	4.63	.38	176	.80	.44	81.8
Old Fashion Fd M	5.00	.00	.0	5.25	4.75	5.25	4.00	182	1.32	1.19	10.9
Pancho Mex Buffet M	6.75	-.13	-1.8	7.00	6.50	8.38	6.00	223	.60	1.86	-67.7
Peo Restaurants M	.19	-.03	-14.3	0.28	0.19	1.50	.09	4,558	5.28	1.36	288.2
Piccadilly Caf M	22.38	-.25	-1.1	22.75	22.13	24.13	16.50	413	.68	.81	-16.0
Pizza Inn A	7.63	.00	.0	7.75	7.25	10.25	6.88	261	.86	.71	21.1
Po-Folks M	11.38	-.13	-1.1	11.63	11.13	14.75	8.75	449	1.02	.69	47.8
Ponderosa Sys N	14.63	-.13	-.8	15.00	14.38	16.50	10.50	3,022	3.14	4.27	-26.5

Financial Update

		Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	P/E			New		Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market	Ratio	Amt.	Yld.	Report	Period	Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Food-Service Operators																		
A&M Food Svcs M	13.6	.00	.0	....	9 mos.	09-85	16.3	101.2	1.2	200.0	.33	200.0	33.5	51.6	2.0	81.8	.55	83.3
Acapulco Rests M	19.6	.00	.0	....	9 mos.	07-85	11.3	-40.5	.3	NC	.11	1000.0	31.2	10.2	.3	.0	.12	-14.3
Am Restaurants M	53.6	.00	.0	....	6 mos.	07-85	5.7	26.7	.1	.0	.05	66.7	10.4	15.6	.1	-50.0	.04	-60.0
Assoc Hosts M	20.4	.12	.9	....	9 mos.	06-85	22.8	-5.0	.6	-45.5	.12	-47.8	68.2	-4.1	2.0	-33.3	.44	-33.3
Benihana Natl M	10.8	.00	.0	....	3 mos.	06-85	28.1	100.7	1.1	57.1	.36	50.0	28.1	100.7	1.1	57.1	.36	50.0
Bob Evans Farms M	20.4	.27	1.3	....	3 mos.	07-85	61.9	14.6	5.0	13.6	.28	12.0	61.9	14.6	5.0	13.6	.28	12.0
Calibre Cp M	NE	.00	.0	....	6 mos.	01-85	3.6	2.9	(1.1)	NE	(.38)	NE	7.1	6.0	(1.8)	NE	(.60)	NE
Calny Food M	18.6	.16	1.2	....	6 mos.	08-85	16.6	27.7	.7	40.0	.16	33.3	30.2	20.8	1.6	14.3	.35	12.9
Capt Crab M	NE	.00	.0	....	6 mos.	02-85	1.7	240.0	(.5)	NE	(.04)	NE	3.3	200.0	(1.1)	NE	(.08)	NE
Carrols Cp N	11.1	.07	1.0	....	3 mos.	08-85	39.8	4.7	1.5	-28.6	.20	-28.6	39.8	4.7	1.5	-28.6	.20	-28.6
Chefs Intl O	NE	.00	.0	....	3 mos.	04-85	5.3	-11.7	.0	NE	.00	NE	5.3	-11.7	.0	NE	.00	NE
Chi-Chi's M	16.5	.00	.0	....	3 mos.	07-85	65.1	39.7	4.5	-10.0	.17	-10.5	65.1	39.7	4.5	-10.0	.17	-10.5
Chili's Inc M	24.1	.00	.0	....	fiscal	06-85	21.0	69.4	1.4	75.0	.30	57.9	69.3	60.8	4.1	105.0	.88	76.0
Churchs Fr Ch N	14.7	.44	2.6	....	9 mos.	09-85	136.3	10.3	9.9	-4.8	.26	-7.1	389.3	11.0	29.0	3.2	.77	2.7
Collins Foods N	17.1	.12	.8	....	3 mos.	07-85	136.4	18.6	5.6	16.7	.19	-20.8	135.4	18.6	5.6	16.7	.19	-20.8
Concept Dev M	NE	.00a	.0	....	9 mos.	03-85	28.1	212.2	(1.2)	-100.0	(.23)	-100.0	30.2	9.4	(1.2)	-100.0	(.23)	-100.0
Consol Prdts M	14.8	.08	2.5	....	9 mos.	06-85	16.4	.0	(.1)	-100.0	(.02)	-100.0	50.2	-2.3	.2	-71.4	.06	-68.4
Consul Restaurant M	NE	.00	.0	....	3 mos.	08-85	21.9	3.8	.1	NC	.02	100.0	21.9	3.8	.1	NC	.02	100.0
Cracker Barrel M	15.5	.14	1.3	....	fiscal	07-85	20.7	19.7	1.5	15.4	.45	-2.2	67.5	18.6	2.4	-11.1	.71	-27.6
Cucos Inc O	43.8	.00	.0	....	fiscal	06-85	1.8	100.0	.1	NC	.05	66.7	6.6	106.3	.3	50.0	.16	23.1
DLites Of Amer M	39.0	.00	.0	....	3 mos.	06-85	5.9	145.8	.2	NC	.05	400.0	5.9	145.8	.2	NC	.05	400.0
Dunkin Donuts M	16.9	.24	1.0	....	9 mos.	07-85	24.7	19.9	2.8	21.7	.37	15.6	73.4	17.1	8.2	17.1	1.11	15.6
El Chico M	11.5	.00	.0	....	3 mos.	08-85	21.9	3.8	1.0	11.1	.22	10.0	21.9	3.8	1.0	11.1	.22	10.0
El Pollo Asa O	NE	.00	.0	....	3 mos.	06-85	1.4	100.0	.0	NE	.01	NE	1.4	100.0	.0	NE	.01	NE
El Torito Rest N	11.0	.00	.0	NEW	9 mos.	09-85	84.2	27.8	2.3	-43.9	.20	-42.9	234.5	24.1	8.5	-5.6	.74	-5.1
Famous Rest M	NE	.00	.0	....	6 mos.	06-85	12.3	-2.4	(.1)	-100.0	(.02)	-100.0	28.6	-3.7	.3	NC	.05	NC
Fast Food Oper O	25.0	.00	.0	....	6 mos.	06-85	1.9	-9.5	.1	.0	.01	-50.0	3.7	-2.6	.1	.0	.01	-50.0
Flakey Jakes M	NE	.00	.0	....	6 mos.	06-85	5.3	194.4	(3.9)	NE	(.56)	NE	10.6	221.2	(4.4)	NE	(.63)	NE
Folks Rest O	NE	.00	.0	....	6 mos.	06-85	2.2	37.5	.0	NE	.01	NE	3.9	56.0	(.3)	NE	(.17)	NE
Frisch's A	18.8	.22	1.0	....	fiscal	05-85	30.5	-5.9	1.7	-10.5	.39	-7.1	127.3	2.7	5.0	2.0	1.15	3.6
Fuddruckers Inc M	29.4	.00	.0	....	6 mos.	06-85	13.8	165.4	.4	NE	.06	NE	23.9	157.0	.5	NE	.08	NE
Good Taco O	NE	.00	.0	....	fiscal	02-85	.1	-75.0	(.3)	NE	(.07)	NE	1.1	37.5	(1.4)	NE	(.51)	NE
Hambrg Hamlet O	7.4	.00	.0	....	3 mos.	06-85	9.4	-2.1	.4	.0	.58	.0	9.4	-2.1	.4	.0	.58	.0
Hungry Tiger M	NE	.00	.0	....	9 mos.	05-85	20.7	-3.3	(.4)	-100.0	(.13)	-100.0	49.6	-5.3	(.9)	-100.0	(.29)	-100.0
Intl Dairy Queen O	18.4	.00	.0	....	9 mos.	08-85	52.0	27.5	4.2	NE	2.14	32.9	127.6	19.8	8.1	20.9	4.06	34.0
Intl King Tab M	11.2	.00a	.0	....	3 mos.	09-85	18.9	-1.6	1.1	.0	.38	5.6	18.9	-1.6	1.1	.0	.38	5.6
JB Restaurant M	12.2	.16	1.7	....	9 mos.	06-85	32.8	47.7	.9	-10.0	.24	-14.3	69.5	42.7	1.8	-5.3	.48	-9.4
Jerrico Inc M	14.6	.12	.6	....	fiscal	06-85	128.1	1.2	7.6	10.1	.48	11.6	505.7	4.5	22.3	9.3	1.41	9.3
Kapok Cp A	2.5	.00	.0	....	9 mos.	06-85	3.8	-40.6	1.1	NE	.40	NE	14.6	-15.6	4.9	NE	2.01	NE
Karcher Carl M	21.5	.00	.0	....	6 mos.	07-85	79.1	-2.0	1.5	-65.1	.21	-65.0	174.6	-2.3	2.3	-73.9	.32	-74.2
Lifestyle Rest A	NE	.00	.0	....	9 mos.	07-85	18.1	-4.7	(.6)	NE	(.12)	NE	59.8	-9.7	(4.8)	NE	(.85)	NE
Luby's Cafe N	21.9	.60	1.7	NEW	fiscal	08-85	51.5	7.5	5.8	18.4	.47	14.6	196.0	14.7	19.6	14.0	1.61	12.6
Marcus Corp M	9.5	.30	1.9	....	3 mos.	08-85	36.1	7.8	3.2	14.3	.62	12.7	36.1	7.8	3.2	14.3	.62	12.7
Marriott Corp N	15.4	.54	.6	....	9 mos.	09-85	969.0	16.2	44.8	17.0	1.67	16.8	2845.5	18.4	115.6	20.4	4.30	21.5
Maverick Rest M	NE	.00	.0	....	6 mos.	07-85	3.3	13.8	(.1)	-100.0	(.02)	-100.0	6.4	20.8	(.1)	-100.0	(.02)	-100.0
Max & Erma's O	NE	.00	.0	....	9 mos.	07-85	4.0	-9.1	(.2)	NE	(.12)	NE	12.6	-4.5	(.1)	NE	(.07)	NE
McDonald's Cp N	13.8	.90	1.4	....	6 mos.	06-85	955.6	10.5	117.1	7.8	1.35	10.7	1764.2	9.6	201.4	9.7	2.31	11.6
McFaddin Ventures M	11.3	.00	.0	....	9 mos.	08-85	18.3	67.9	1.3	30.0	.23	15.0	48.1	55.7	3.9	50.0	.78	44.4
Morrison Inc M	14.0	.48	2.6	....	3 mos.	08-85	128.8	9.2	4.9	6.5	.36	5.9	128.8	9.2	4.9	6.5	.36	5.9
Mr Steak O	NE	.00	.0	....	9 mos.	06-85	7.0	-59.1	(.5)	NE	(.11)	NE	21.8	-56.2	(.6)	NE	(.14)	NE
Nankin Express O	NE	.00	.0	....	6 mos.	07-85	.4	100.0	(.6)	NE	(.26)	NE	.7	75.0	(.9)	NE	(.39)	NE
Nathans M	10.7	.05	1.3	....	3 mos.	06-85	6.6	8.2	.5	25.0	.21	16.7	6.6	8.2	.5	25.0	.21	16.7
Natl Pizza M	16.2	.00	.0	....	3 mos.	06-85	15.0	48.5	1.4	27.3	.26	18.2	15.0	48.5	1.4	27.3	.26	18.2
Naugles Inc M	NE	.00	.0	....	fiscal	06-85	30.8	13.2	(7.5)	-100.0	(1.68)	-100.0	124.1	8.1	(9.2)	NE	(2.06)	NE
Noble Roman O	NE	.00	.0	....	6 mos.	06-85	5.5	25.0	(.1)	-100.0	(.02)	-100.0	10.2	14.6	(.2)	-100.0	(.13)	-100.0
1 Potato 2 O	NE	.00	.0	....	3 mos.	04-85	3.5	-7.9	(.4)	NE	(.17)	NE	3.5	-7.9	(.4)	NE	(.17)	NE
Old Fashion Fd M	8.3	.00	.0	....	3 mos.	08-85	3.7	12.1	.1	-50.0	.10	-23.1	3.7	12.1	.1	-50.0	.10	-23.1
Pancho Mex Buffet M	12.1	.13	1.9	....	9 mos.	06-85	9.7	16.9	.6	50.0	.17	6.3	26.1	14.5	1.2	20.0	.37	2.8
Peo Restaurants M	NE	.00	.0	....	6 mos.	12-84	5.5	-69.6	(17.1)	NE	(1.97)	NE	13.8	-54.0	(20.4)	-100.0	(2.36)	-100.0
Piccadilly Caf M	14.2	.60	2.7	....	fiscal	06-85	48.0	5.7	2.5	.0	.42	.0	186.8	7.5	9.5	13.1	1.58	12.9
Pizza Inn A	NM	.08	1.0	....	6 mos.	06-85	50.6	4.1	.3	-72.7	.10	-71.4	98.3	13.0	.4	-78.9	.14	-77.0
Po-Folks M	14.8	.00	.0	....	9 mos.	06-85	39.3	34.1	1.6	23.1	.36	24.1	99.8	31.7	2.4	4.3	.54	3.8
Ponderosa Sys N	NM	.40	2.7	....	6 mos.	08-85	117.7	-6.1	1.5	-68.1	.16	-68.6	234.9	-3.7	2.3	-75.0	.24	-77.4





Source: Media General Financial Services

Oct. 28, 1983 = 100

	Stock Market											Financial Update																	
	Price							Volume				P/E Ratio	Indicated Divd. Rate		Latest Report			Latest Quarter						Year-to-Date					
	10-18-85 Close	Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.	Volume Trend							Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.	
Company and Market		Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change		Amt.	Yld.	New Report	Period	Date Ended	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
-	$	$	%	$	$	$	$	(100)	%	%	%	-	$	%	-	-	-	$Mil	%	$Mil	%	$	%	$Mil	%	$Mil	%	$	%
Primo Inc O	1.38	- .38	- 21.4	1.75	1.38	4.63	1.38	212	.63	.35	80.0	NM	.00	.0	.....	9 mos.	06-85	1.2	33.3	.1	NE	.01	NE	3.0	3.4	.3	NC	.08	NE
RAX Restaurants M	5.50	.00	.0	5.50	5.00	13.25	5.00	1,290	1.88	1.01	86.1	21.2	.00	.0	.....	9 mos.	04-85	27.2	24.8	(.4)	- 100.0	(.06)	- 100.0	81.4	23.3	(.1)	- 100.0	(.01)	- 100.0
Rest Mgmt M	11.75	- .25	- 2.1	11.75	11.25	15.00	6.75	327	1.54	1.71	- 9.9	16.8	.09	.8	.....	9 mos.	07-85	8.5	28.8	.5	25.0	.15	- 11.8	26.7	34.8	1.5	36.4	.54	10.2
Rest Systems M	18.25	1.38	8.1	18.25	16.88	18.25	11.75	423	1.83	1.86	- 1.6	19.8	.00	.0	.....	6 mos.	06-85	9.6	18.5	.6	20.0	.23	4.5	20.1	8.6	1.1	10.0	.46	7.0
Ritzys G D M	1.94	.13	6.9	1.94	1.75	3.63	1.75	264	.51	.86	- 40.7	NE	.00	.0	.....	6 mos.	06-85	3.9	14.7	(.3)	NE	(.06)	NE	6.9	11.3	(1.0)	NE	(.19)	NE
Rusty Pelican M	11.50	- .63	- 5.2	11.50	11.13	18.25	11.00	669	2.37	1.71	38.6	13.4	.00	.0	.....	fiscal	07-85	19.2	61.3	1.2	71.4	.44	37.5	53.7	47.1	2.3	27.8	.86	1.2
Ryan's Fam M	18.50	1.75	10.4	18.75	16.75	19.25	11.34	1,295	1.86	2.05	- 9.3	30.3	.00	.0	.....	6 mos.	06-85	12.4	61.0	1.3	62.5	.18	50.0	22.9	59.0	2.4	50.0	.34	41.7
Saga Corp N	22.88	.63	2.8	23.00	20.75	34.25	20.75	4,685	3.58	1.52	135.5	10.5	.52	2.3	.....	fiscal	06-85	324.8	6.2	2.1	- 67.2	.16	- 66.7	1254.8	10.9	29.1	- 6.1	2.18	- 9.2
Sandwich Chef M	7.88	.00	.0	7.88	7.50	8.88	6.88	57	.45	.29	55.2	13.8	.00	.0	.....	fiscal	06-85	7.5	11.9	.2	.0	.17	.0	28.7	12.1	.7	.0	.57	3.6
Sea Galley M	4.13	.13	3.1	4.25	3.75	9.50	3.75	1,831	5.76	4.38	31.5	2.2	.00	.0	.....	6 mos.	06-85	15.3	- 7.8	.3	- 81.3	.13	- 68.3	29.9	- 8.3	2.3	- 23.3	.70	- 9.1
Shoney's Inc M	25.50	.50	2.0	25.63	25.00	31.88	21.94	1,933	.68	1.54	- 55.8	20.4	.15	.6	.....	9 mos.	07-85	134.2	13.9	10.4	26.8	.36	20.0	413.8	14.9	27.6	26.0	.96	20.0
Shoney's South M	10.75	- .38	- 3.4	11.00	10.75	15.88	10.00	133	.24	1.28	- 81.3	10.0	.00	.0	.....	6 mos.	06-85	44.1	10.3	2.1	.0	.36	5.9	94.4	9.1	3.0	- 25.0	.51	- 25.0
SIS Cp M	5.50	.75	15.8	5.50	4.75	5.50	3.25	97	.63	.64	- 1.6	NE	.00	.0	.....	6 mos.	06-85	3.4	61.9	.0	- 100.0	.03	- 25.0	5.9	68.6	(.1)	NC	(.06)	NE
Sizzler Rest Intl M	14.50	1.00	7.4	14.75	13.75	17.75	9.16	3,037	2.97	1.12	165.2	14.2	.00	.0	.....	3 mos.	07-85	46.4	16.0	3.0	20.0	.30	20.0	46.4	16.0	3.0	20.0	.30	20.0
Skippers M	10.63	1.13	11.8	10.75	9.50	12.50	8.75	3,865	14.15	3.09	357.9	11.5	.08	.8	.....	6 mos.	06-85	16.1	11.8	.6	.0	.24	9.1	31.5	13.3	1.1	.0	.41	- 2.4
So Hospitality M	4.38	- .25	- 5.4	4.63	4.38	5.88	4.00	533	1.07	1.60	- 33.1	10.4	.00	.0	.....	3 mos.	08-85	12.2	14.0	.7	75.0	.15	87.5	12.2	14.0	.7	75.0	.15	87.5
Stuff Yer Face O	.38	.06	20.0	0.44	0.34	1.44	.31	1,029	.68	.44	54.5	NE	.00	.0	.....	3 mos.	06-85	.8	60.0	(.1)	NE	(.01)	NE	.8	60.0	(.1)	NE	(.01)	NE
Swensens Inc O	1.50	.00	.0	1.75	1.50	3.13	1.38	68	.13	.17	- 23.5	NE	.00	.0	.....	6 mos.	06-85	3.1	6.9	.0	NC	.01	.0	5.8	9.4	(.3)	NC	(.04)	- 100.0
Taco Villa O	3.75	.00	.0	4.25	3.75	7.75	3.75	89	.11	.11	.0	19.7	.00	.0	.....	6 mos.	06-85	18.9	166.2	.5	66.7	.06	- 14.3	34.1	138.5	.3	- 50.0	.04	- 73.3
Taco Viva M	3.50	- .13	- 3.4	3.50	3.50	7.50	3.38	48	.14	.61	- 77.0	10.3	.00	.0	.....	9 mos.	02-85	5.5	- 6.8	.3	- 25.0	.10	- 9.1	17.7	8.6	.9	12.5	.27	12.5
TGI Friday's N	8.00	.00	.0	8.25	7.75	12.38	7.75	202	.18	.46	- 60.9	11.6	.00	.0	.....	6 mos.	06-85	80.1	12.5	3.6	5.9	.20	11.1	156.4	14.6	7.0	7.7	.39	11.4
TGIF Texas O	2.00	.00	.0	2.38	2.00	2.38	2.00	0	.00	.07	-100.0	NE	.00	.0	NEW	6 mos.	06-85	3.3	13.8	(.2)	NE	(.13)	NE	6.5	18.2	(.4)	NE	(.28)	NE
TCBY Entrprs M	20.00	.00	.0	20.25	19.00	23.75	4.09	1,944	4.46	4.79	- 6.9	55.6	.00	.0	.....	6 mos.	05-85	4.3	207.1	.8	166.7	.19	171.4	6.3	200.0	1.0	233.3	.23	187.5
Transworld N	36.88	.00	.0	37.75	36.50	41.13	28.25	6,901	1.94	1.61	20.5	12.3	.48	1.3	.....	6 mos.	06-85	529.7	5.1	30.9	3.3	.79	- 7.1	1009.5	- 4.3	47.1	- 4.3	1.19	- 9.8
USACafes M	5.50	.00	.0	5.50	5.25	6.00	3.25	258	.41	2.94	- 86.1	15.7	.28	5.1	.....	9 mos.	06-85	4.5	15.4	.5	.0	.10	.0	13.9	16.8	1.7	6.3	.26	- 10.3
Vicorp Restaurants M	16.63	- .88	- 5.0	17.63	16.13	28.25	13.25	2,314	2.75	4.69	- 41.4	14.8	.12	.7	.....	9 mos.	07-85	93.9	39.3	3.1	14.8	.33	- 19.5	286.4	85.5	5.9	1.7	.67	- 23.0
Victoria Stations M	1.63	.25	18.2	1.63	1.31	4.38	1.25	2,410	5.30	2.38	122.7	NE	.00	.0	.....	fiscal	03-85	20.3	- 14.0	(2.2)	NE	(.62)	NE	93.8	- 7.3	(5.9)	NE	(1.67)	NE
Wendys Intl N	16.63	1.63	10.8	16.63	14.88	19.13	12.19	8,401	1.14	1.31	- 13.0	16.6	.21	1.3	.....	6 mos.	06-85	290.4	20.8	22.3	15.5	.30	15.4	526.9	18.2	36.8	13.9	.50	13.6
Wstn Steer M	11.00	- .63	- 5.4	12.00	11.00	14.00	9.00	11	.09	.45	- 80.0	13.6	.20	1.8	.....	6 mos.	08-85	11.8	14.6	.4	300.0	.27	285.7	23.2	17.2	.7	75.0	.54	63.6
Winners Cp N	6.38	- .38	- 5.6	6.88	6.25	8.75	5.13	921	2.30	1.39	65.5	NM	.00	.0	.....	6 mos.	06-85	28.0	- .4	.2	- 75.0	.06	- 66.7	51.9	- 1.0	(.4)	- 100.0	(.10)	- 100.0
Hotels, Motels, and Casinos																													
Brock Hotel Cp N	1.00	- .25	- 20.0	1.38	1.00	5.13	1.00	1,118	.79	.81	- 2.5	NE	.10	10.0	.....	6 mos.	06-85	61.9	- 9.4	(13.8)	NE	(.97)	NE	128.7	- 9.0	.1	NE	.01	NE
Hilton Hotels N	65.38	- 1.13	- 1.7	70.38	64.38	73.50	53.00	7,407	2.99	1.21	147.1	13.8	1.80	2.8	.....	6 mos.	06-85	190.7	40.7	27.5	11.8	1.11	20.7	358.9	19.8	51.0	16.7	2.05	25.8
Holiday Cp N	53.38	.25	.5	54.00	52.75	58.13	38.88	3,266	1.20	1.90	- 36.8	12.7	1.00	1.9	...	6 mos.	06-85	470.3	3.7	32.2	- 7.2	1.16	23.4	897.5	5.0	65.9	8.6	2.24	37.4
Prime Mtr Inn N	35.25	1.25	3.7	37.00	34.00	37.00	16.50	2,271	1.17	1.04	12.5	27.5	.09	.3	...	fiscal	06-85	126.9	474.2	7.7	67.4	.39	52.5	304.5	320.0	25.0	44.5	1.28	42.2
Ramada Inns N	7.63	.00	.0	7.88	7.38	9.50	5.13	8,248	2.22	3.64	- 39.0	54.5	.00	.0	.....	6 mos.	06-85	149.9	1.6	2.6	420.0	.07	600.0	287.4	- 1.3	1.0	25.0	.03	50.0
Servico Inc M	19.50	- .50	- 2.5	20.00	19.50	21.38	13.44	28	.08	.22	- 63.6	9.7	.00a	.0	.....	6 mos.	06-85	51.1	8.0	4.1	115.8	1.07	114.0	93.1	3.2	4.2	50.0	1.11	50.0
Sonesta Intl M	23.00	.00	.0	25.50	23.00	27.00	18.50	28	.18	.08	125.0	7.1	.40	1.7	.....	6 mos.	06-85	20.9	- 6.7	1.8	- 14.3	1.65	19.6	32.9	- 9.4	(.3)	NC	(.20)	NE
Other Companies with Food-Service Operations																													
Allegheny Bev M	17.13	.13	.7	17.13	16.75	22.63	15.00	710	1.18	1.93	- 38.9	NE	.40	2.3	.....														
Arden Intl O	3.00	.13	4.3	3.25	3.00	3.00	1.13	202	.86	.68	26.5	NE	00	.0	.....	6 mos.	06-85	1.4	- 58.8	.0	NE	.01	NE	4.9	- 22.2	(.1)	NE	(.03)	NE
Ch Full O Nut N	8.00	- .50	- 5.9	8.63	8.00	11.41	7.03	299	.61	.54	13.0	NM	.00a	.0	.....	fiscal	07-85	30.7	.7	(.4)	NE	(.08)	NE	117.8	.3	.0	- 100.0	.01	- 93.8
Disney, Walt N	90.13	1.63	1.8	90.75	88.50	95.00	56.25	6,324	1.91	1.33	43.6	50.9	1.20	1.3	.....	9 mos.	06-85	546.9	11.2	52.5	15.6	1.56	26.8	1424.9	17.0	119.7	39.7	3.55	48.5
Gen Mills N	63.75	.50	.8	64.50	63.13	65.25	47.75	6,099	1.37	1.47	- 6.8	41.7	2.24	3.5	.....	3 mos.	08-85	1067.9	- 23.0	48.9	- 9.6	1.10	- 8.3	1067.9	- 23.0	48.9	- 9.6	1.10	- 8.3
Grace W R N	38.25	- 1.13	- 2.9	39.38	37.38	45.00	37.38	7,764	1.60	.77	107.8	12.0	2.80	7.3	NEW	9 mos.	09-85	1758.1	6.0	25.3	- 23.6	.41	- 39.7	5246.9	7.1	102.2	- 25.1	1.96	- 30.0
Horn & Hardart A	6.38	- .63	- 8.9	7.00	6.00	12.00	6.00	2,006	1.64	1.04	57.7	NM	.00a	.0	.....	6 mos.	06-85	91.3	- 2.6	(1.7)	- 100.0	(.15)	- 100.0	173.6	- 3.6	(1.7)	- 100.0	(.16)	- 100.0
Ogden Corp N	30.38	.38	1.3	30.75	30.13	34.25	24.38	955	.50	.78	- 35.9	17.5	1.80	5.9	.....	6 mos.	06-85	NC	NC	5.4	- 53.0	.27	- 55.0	502.3	- 53.8	17.4	- 25.0	.90	- 25.6
PepsiCo Inc N	62.75	- .88	- 1.4	64.25	62.63	64.25	39.88	13,765	1.51	1.26	19.8	10.9	1.78	2.8		9 mos.	09-85	2071.8	7.1	135.3	14.4	1.47	18.5	5636.2	3.9	454.4	75.4	4.81	76.8
Pillsbury Co N	60.50	- .50	- .8	61.75	60.00	63.50	38.75	3,886	.90	1.54	- 41.6	13.7	1.72	2.8	.....	fiscal	05-85	1219.4	12.6	47.3	1.3	1.09	.9	4670.6	11.9	191.8	13.0	4.42	13.0
Restec O	3.25	.00	.0	4.00	3.25	4.50	3.25	10	.06	.05	20.0	NC	.00	.0	.....	3 mos.	03-85	1.1	57.1	(.1)	NC	(.03)	- 100.0	1.1	57.1	(.1)	NC	(.03)	- 100.0
Reynolds, RJ N	26.00	.25	1.0	26.63	25.75	35.00	25.13	25,893	1.02	.87	17.2	8.0	1.40	5.4	.....	6 mos.	06-85	3404.0	31.0	228.0	- 14.3	.86	- 3.4	6302.0	34.4	410.0	- 5.1	1.52	7.0
Vie de France M	7.50	.00	.0	7.63	7.50	13.50	7.38	361	.33	.47	- 29.8	14.4	.23	3.1	.....	fiscal	06-85	14.6	- 2.0	1.1	- 38.9	.10	- 41.2	63.1	14.3	5.6	- 5.1	.52	- 10.3

Data and Table Provided by Media General Financial Services, Inc., Richmond, Virginia 23219

NOTES AND EXPLANATIONS: Market: N—New York Stock Exchange. A—American Stock Exchange. O—NASDAQ Over-The-Counter. M—NASDAQ National Market. **Reporting Period:** 3 mos.—First quarter of fiscal year. 6 mos.—First six months of fiscal year. 9 mos.—First nine months of fiscal year. fiscal—Fiscal year. NEW—New report since last issue. **General Field Footnotes:** NA—Not available or not applicable. NC—Data required for calculation currently incomplete in our files. NE—Negative earnings invalidate calculations. NM—No meaningful figure. a—stock dividend. b—cash plus stock dividend. **The Charts:** The *NRN* Stock Index calculates the per cent change in the market value of food-service operators since Oct. 28, 1983. The *NRN* Stock Index vs. Dow Jones Index calculates the relative performance of the two indexes from their levels of 52 weeks ago.